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**Vol. IX**  
**TRANSCRIPT OF RECORD**

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**Supreme Court of the United States**

**OCTOBER TERM, 1942**

**No. 721**

**THE NORTH AMERICAN COMPANY, PETITIONER,**

**SECURITIES AND EXCHANGE COMMISSION**

**WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT  
OF APPEALS FOR THE SECOND CIRCUIT**

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**PETITION FOR CERTIORARI FILED FEBRUARY 10, 1943.**

**CERTIORARI GRANTED MARCH 1, 1943.**

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United States Circuit Court of Appeals

FOR THE SECOND CIRCUIT

October Term, No. —

THE NORTH AMERICAN COMPANY,

*Petitioner,*

v.

SECURITIES AND EXCHANGE COMMISSION,

*Respondent.*

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**TRANSCRIPT OF RECORD**

**EXHIBITS**

**Volume IX**

(Pages 3239 to 3378)

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IN PETITIONS FOR REVIEW OF ORDERS OF SECURITIES  
AND EXCHANGE COMMISSION

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**Petitioners' Exhibit No. 1****SECURITIES AND EXCHANGE COMMISSION****WASHINGTON****OFFICE OF THE SECRETARY**

June 27, 1940.

S. Pearce Browning, Esq.,  
c/o Sullivan & Cromwell,  
48 Wall Street,  
New York, New York.

Re: North American Company and its  
Subsidiary Companies,  
File No. 59-10.

~~Dear~~ Mr. Browning:

By direction of the Commission, it is requested that you file with the Commission, in the above entitled proceeding, a statement in behalf of respondents upon the following matters:

1. To what extent do the respondents consider that the issues in the subject proceeding have been correctly stated by counsel for the Commission in the statement submitted for the record by him on June 21, 1940?
2. The retention of which properties as a supposedly integrated public utility system, and of what interests in other businesses supposedly reasonably incidental, economically necessary or appropriate to the operations of such integrated public utility system, do the respondents consider to be at issue?

*Petitioners' Exhibit No. 1*

3. The retention of what properties as an "additional" system or systems, do the respondents consider to be at issue?
4. In respect of the retention of such additional system or systems, what questions relative thereto under the (A), (B), (C) standards of Section 11(b) (1) of the Act are deemed by the respondents to be at issue?

It is requested that the Commission be furnished with this statement on or before July 5, 1940, to aid it in passing upon your application for a continuance.

Very truly yours,

FRANCIS P. BRASSOR

Francis P. Brassor,

Secretary.

# Petitioners' Exhibit No. 19

## POTOMAC ELECTRIC POWER COMPANY NET EARNINGS, COMMON STOCK DIVIDENDS AND SURPLUS

Year	After Preferred Dividend Requirements	Common Stock	Surplus at December 31
		Dividend Payments	
		Amount	
1896—Date of Inception...	\$ —7,241.71	\$ —	Prior to
1897.....	—4,949.16	—	January 1, 1903
1898.....	1,098.95	—	surplus account
1899.....	—8,193.36	—	had a
1900.....	—46,869.27	—	deficit
1901.....	—34,931.78	—	balance
1902.....	21,460.33	—	\$ 237,153.89
1903.....	193,221.37	—	5,424.03
1904.....	283,142.00	515,000.00	585.29
1905.....	335,161.26	340,000.00	8,222.83
1906.....	357,637.54	350,000.00	14,770.80
1907.....	406,547.97	400,000.00	24,310.57
1908.....	479,637.27	400,000.00	51,422.08
1909.....	531,385.24	400,000.00	51,422.08
1910.....	472,026.53	465,346.05	93,086.08
1911.....	527,372.59	475,000.00	124,842.72
1912.....	575,740.35	530,000.00	132,278.69
1913.....	624,655.72	600,000.00	149,703.24
1914.....	617,424.55	600,000.00	156,731.33
1915.....	666,941.58	660,000.00	275,973.76
1916.....	771,860.52	660,000.00	263,067.89
1917.....	647,094.13	660,000.00	171,848.02
1918.....	568,780.13	660,000.00	177,877.09
1919.....	544,903.01	540,000.00	234,281.86
1920.....	532,818.35	480,000.00	547,348.46
1921.....	905,086.11	600,000.00	906,204.36
1922.....	959,861.35	600,000.00	1,347,166.45
1923.....	1,029,896.46	600,000.00	2,125,460.90
1924.....	1,474,522.80	720,000.00	3,897,954.44
1925.....	2,295,724.12	3,720,000.00*	5,403,550.50
1926.....	2,491,988.51	960,000.00	6,901,359.58
1927.....	2,683,464.54	1,080,000.00	9,598,578.65
1928.....	3,307,647.08	1,200,000.00	12,238,982.37
1929.....	3,725,219.13	1,320,000.00	15,932,210.34
1930.....	4,371,088.38	1,440,000.00	18,256,011.30
1931.....	4,188,254.67	1,560,000.00	20,341,544.51
1932.....	4,084,816.04	1,680,000.00	22,564,878.25
1933.....	3,980,563.17	1,800,000.00	23,578,116.67
1934.....	3,588,830.78	2,280,000.00	24,226,940.46
1935.....	3,611,125.89	2,550,000.00	30,781,930.47
1936.....	4,051,266.24	3,600,000.00	31,387,729.25
1937.....	4,491,935.37	3,900,000.00	31,304,397.34
1938.....	3,694,121.87	3,900,000.00	31,157,058.16
1939.....	3,835,233.91	3,900,000.00	

\* Includes special dividend of \$2,880,000 from Company's share of impounded fund.


— Minus sign denotes deficit.



3242

**Petitioners' Exhibit No. 22**

(PHOTOSTAT)

A hand-drawn geometric diagram consisting of a horizontal line with a vertical line segment extending upwards from its right end. A diagonal line segment extends from the top of the vertical segment to the right, and another diagonal line segment extends from the right end of the horizontal line to the same point, forming a triangle. There are also some faint, scattered lines and marks on the page.



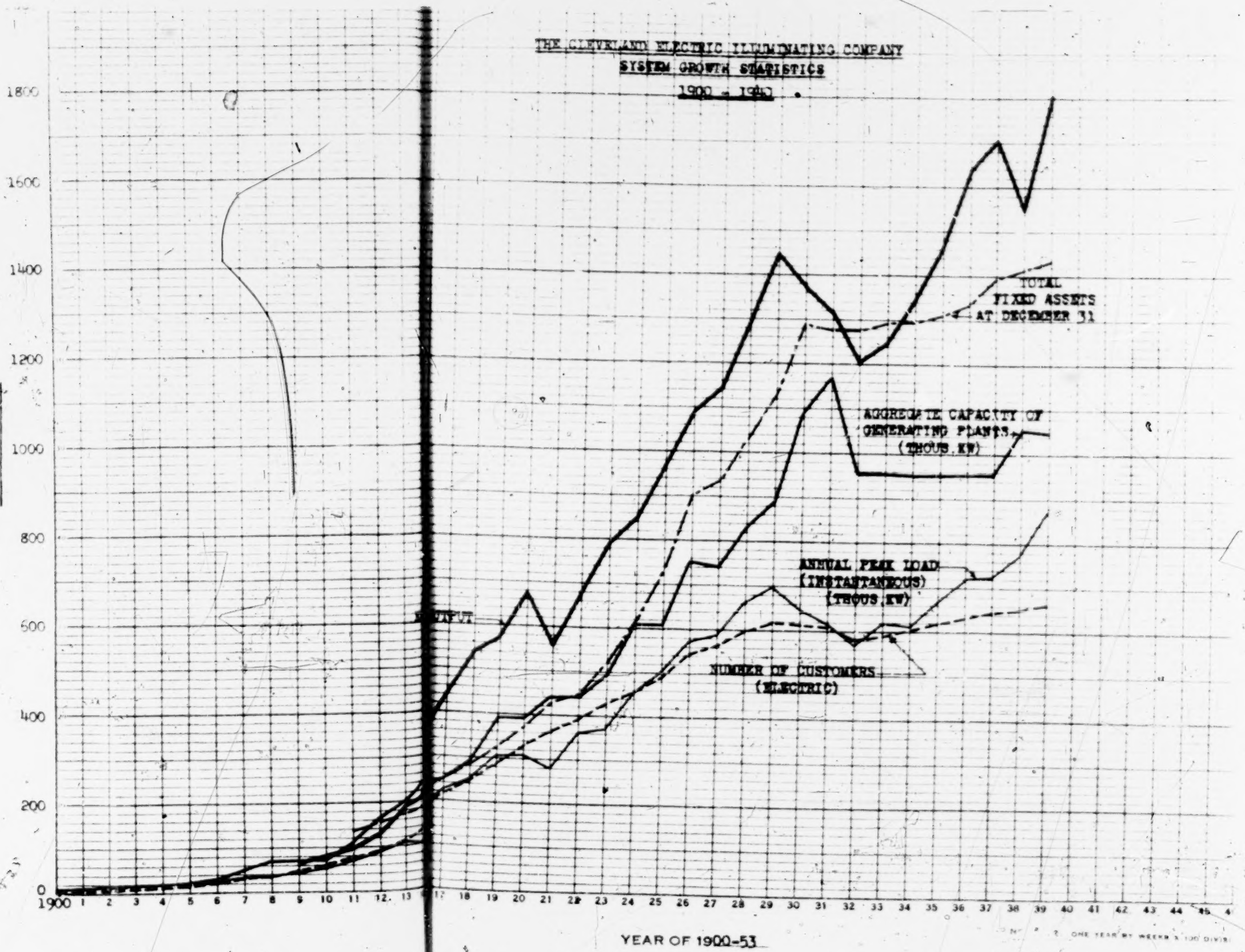
COOPER BROS COMPANY, INC. NEWBOLD MASSACHUSETTS

ONE YEAR BY WEEKS & 100 DIVISIONS



Stat.  
7/10/40

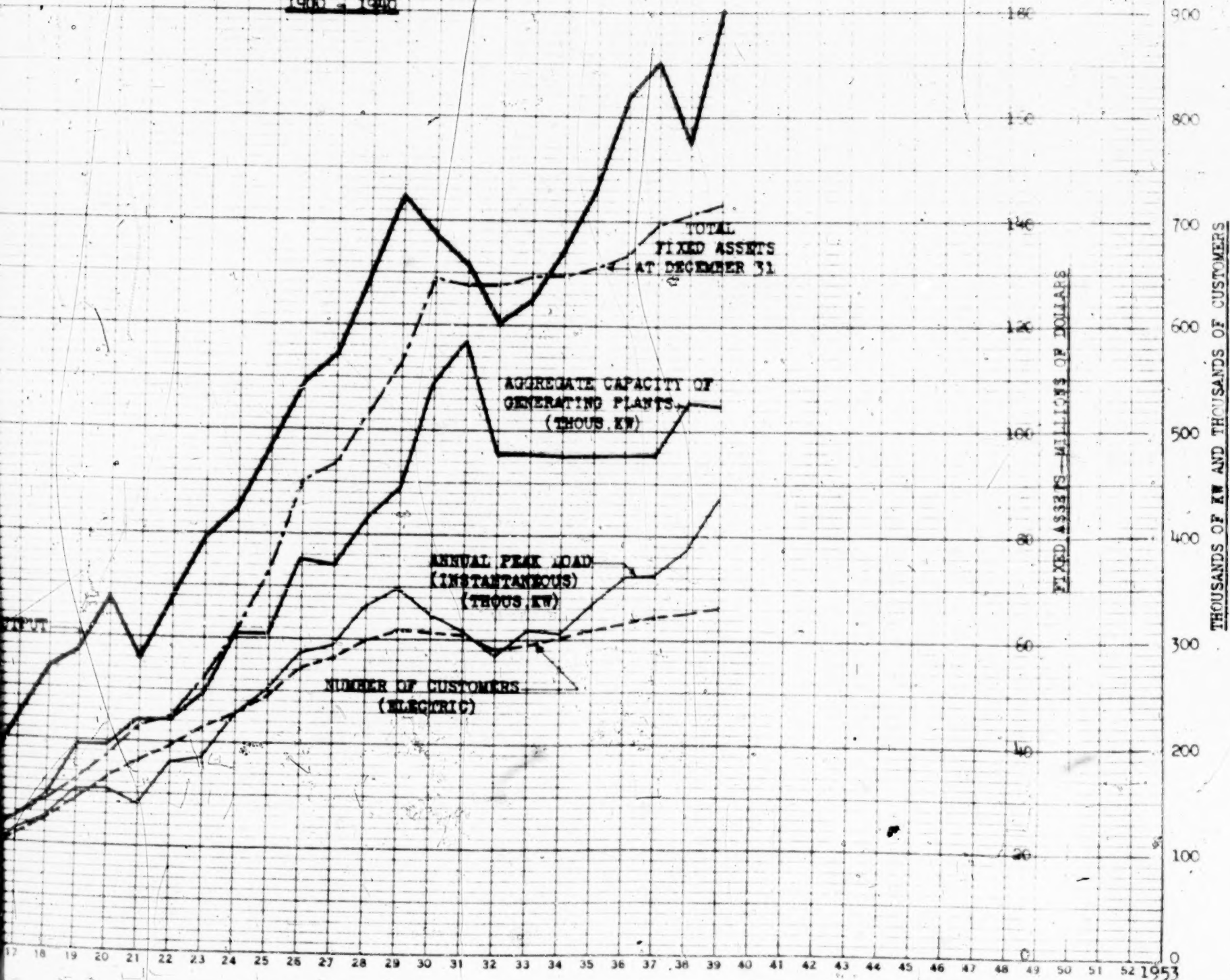
MILLIONS OF KWH



# THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

## SYSTEM GROWTH STATISTICS

1900 - 1940



YEAR OF 1900-53

ONE YEAR BY WEEKS & 100 DIVISIONS



THE CLEVELAND ELECTRIC ILLUMINATING CO.  
EXTENT OF TERRITORY SERVED  
1911 - 1925 - 1940



E R I E

L A K E

1911

0 1 2 3 4 5 6 7 8 9 10

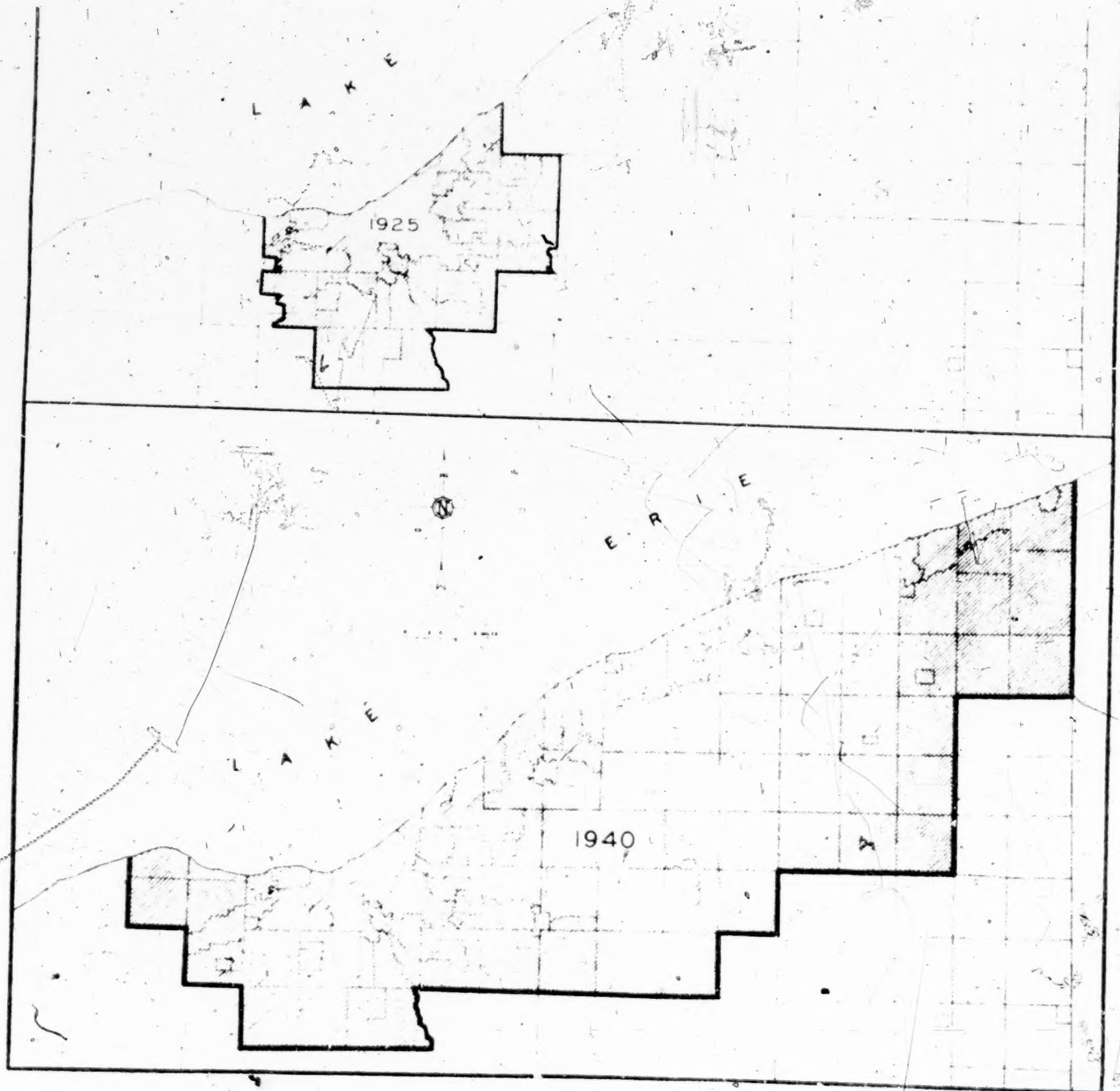
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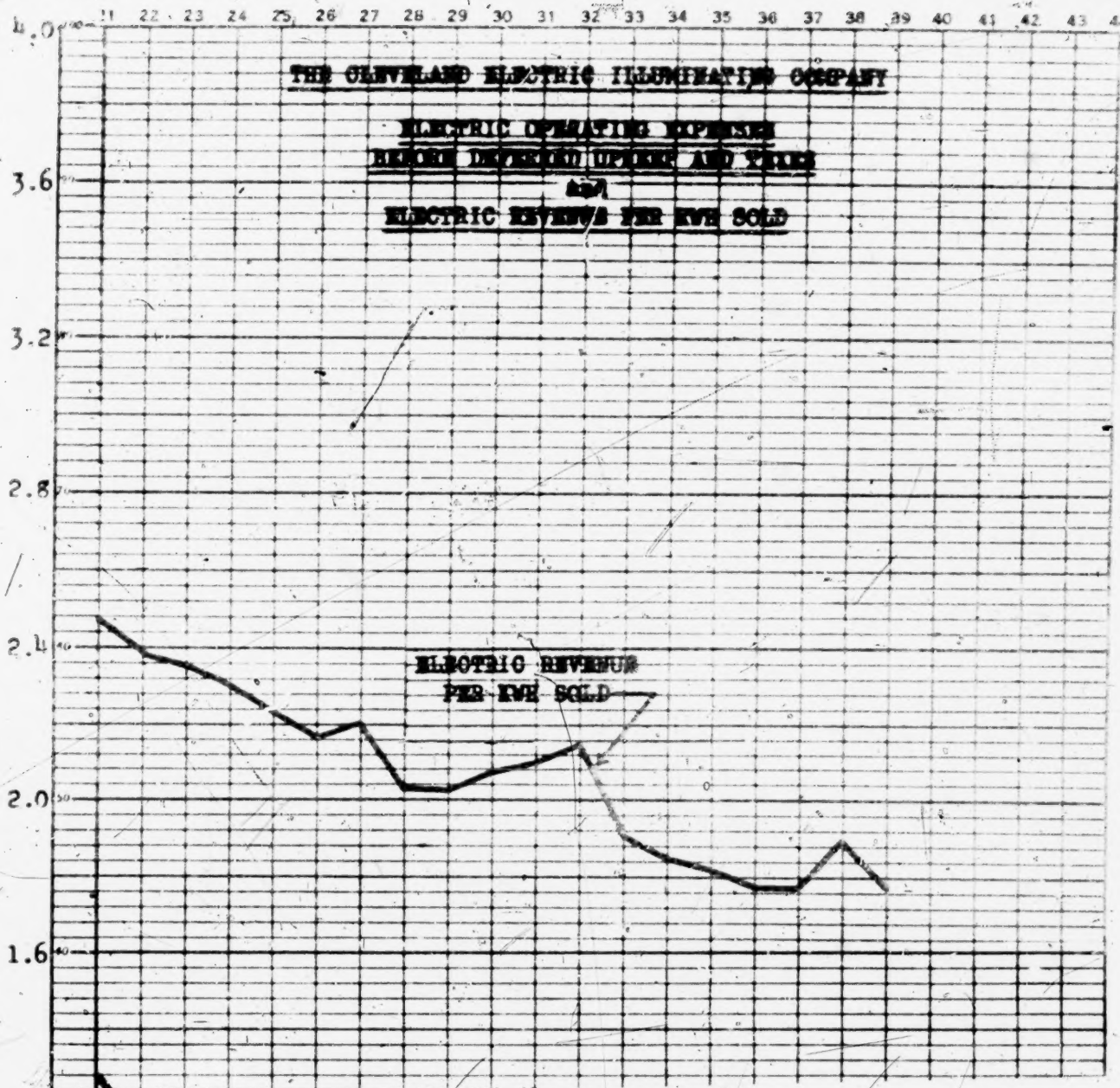
E R I E

L A K E

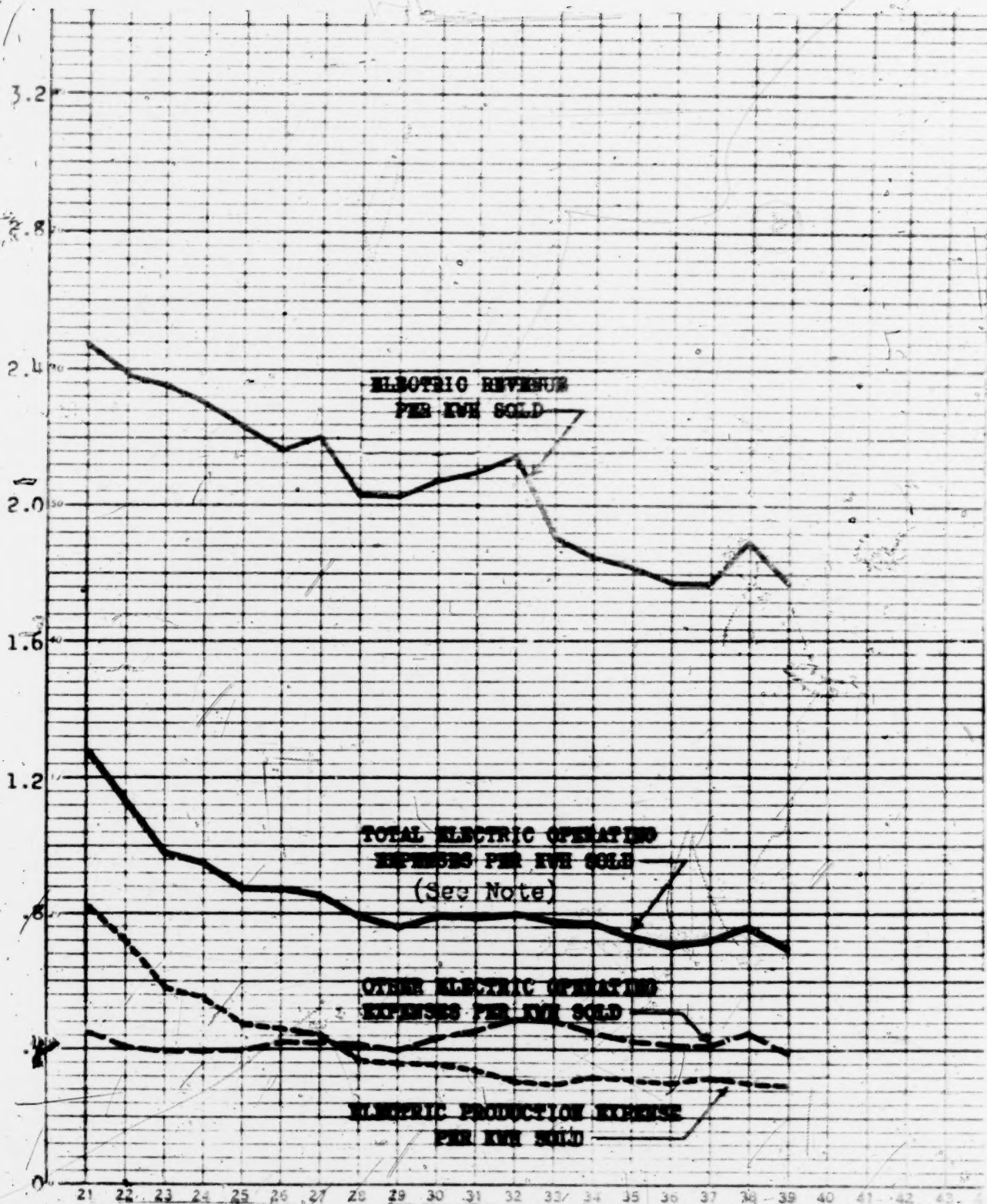




CENTS PER KWH



CENTS PER KWH

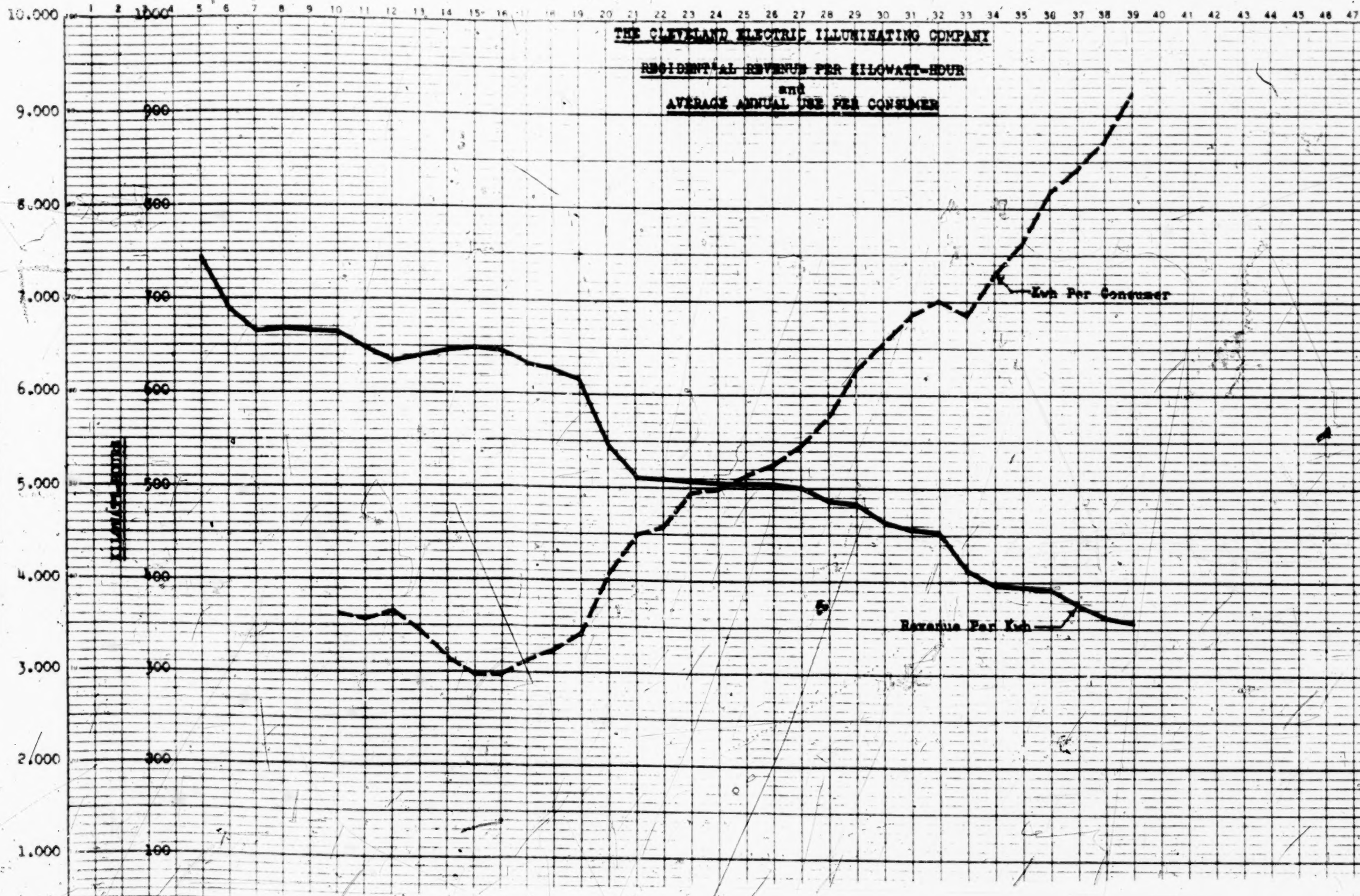


YEAR OF 1901 - 39

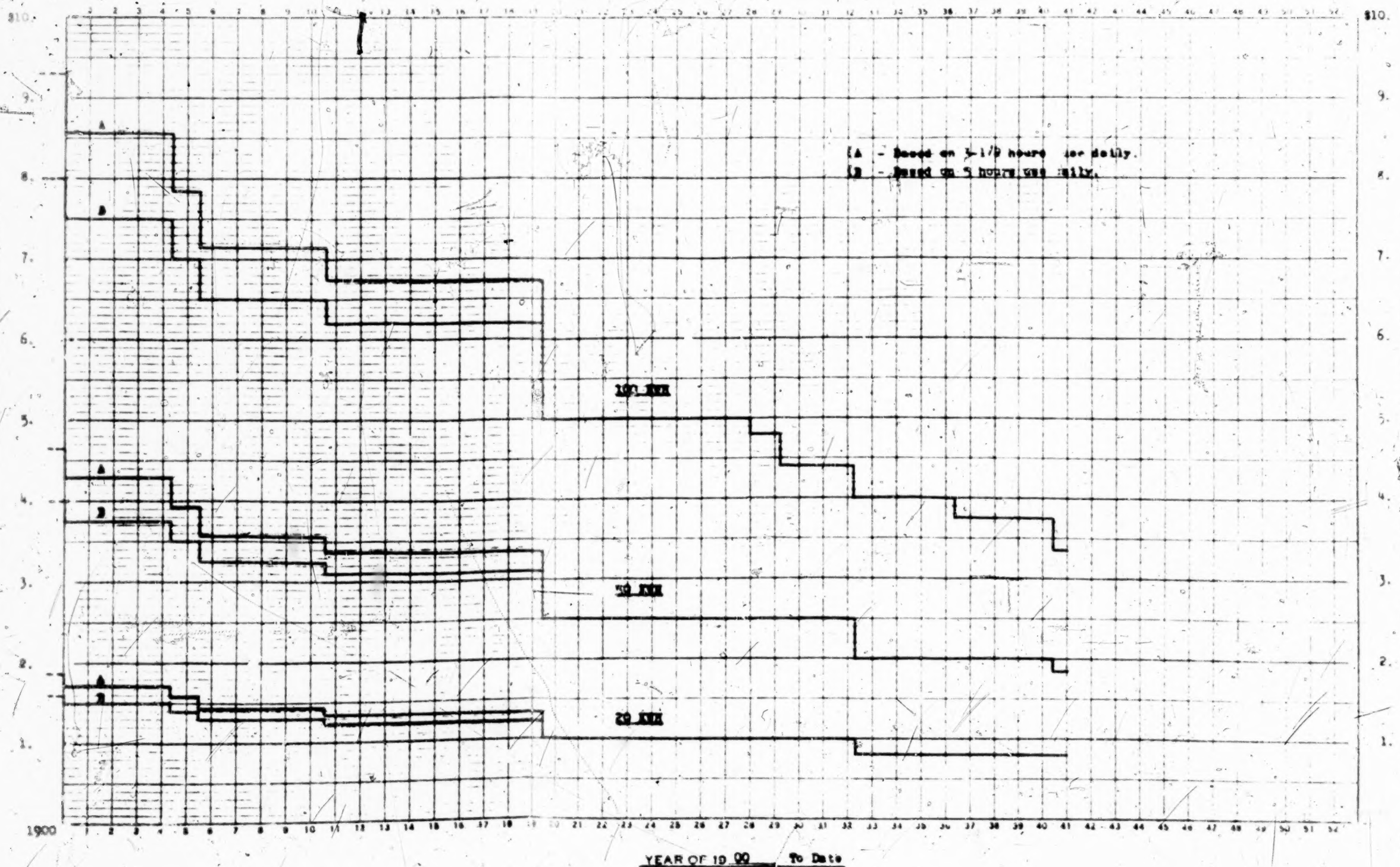
Note: Before deferred upkeep and taxes.



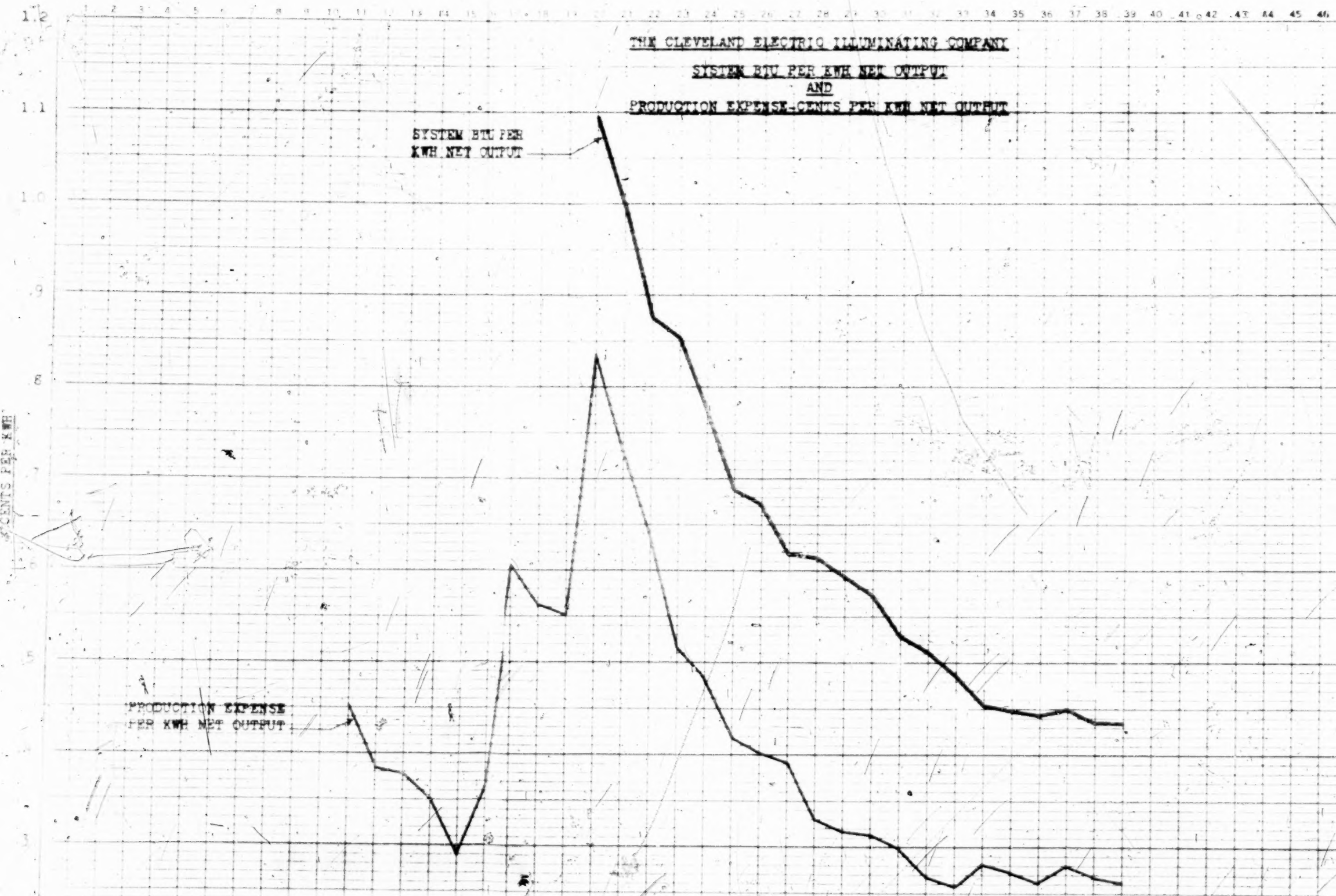
REVENUE - CENTS PER KILOWATT-HOUR

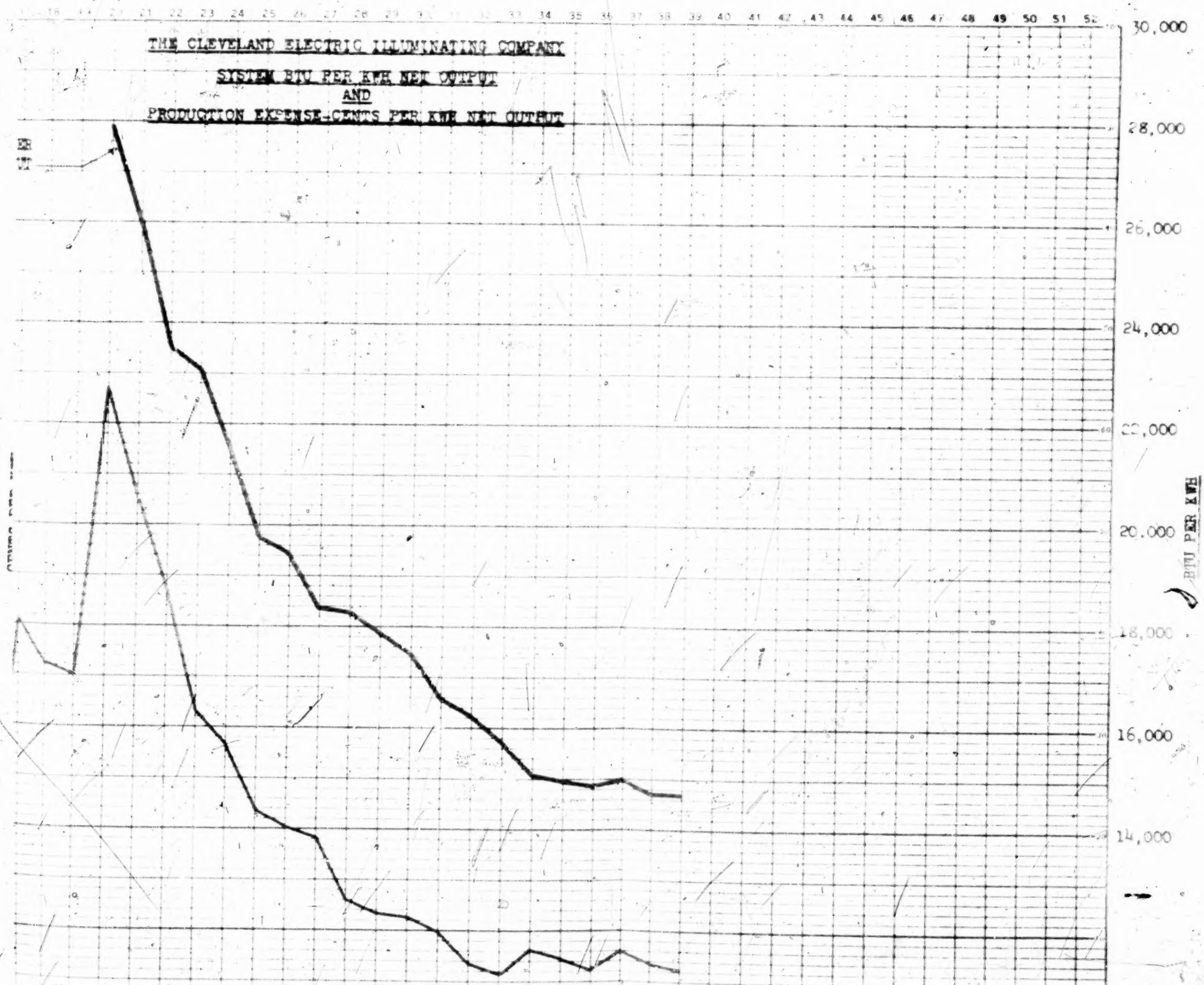


EST BILL PER MONTH FOR 20, 50 AND 100 KWH.









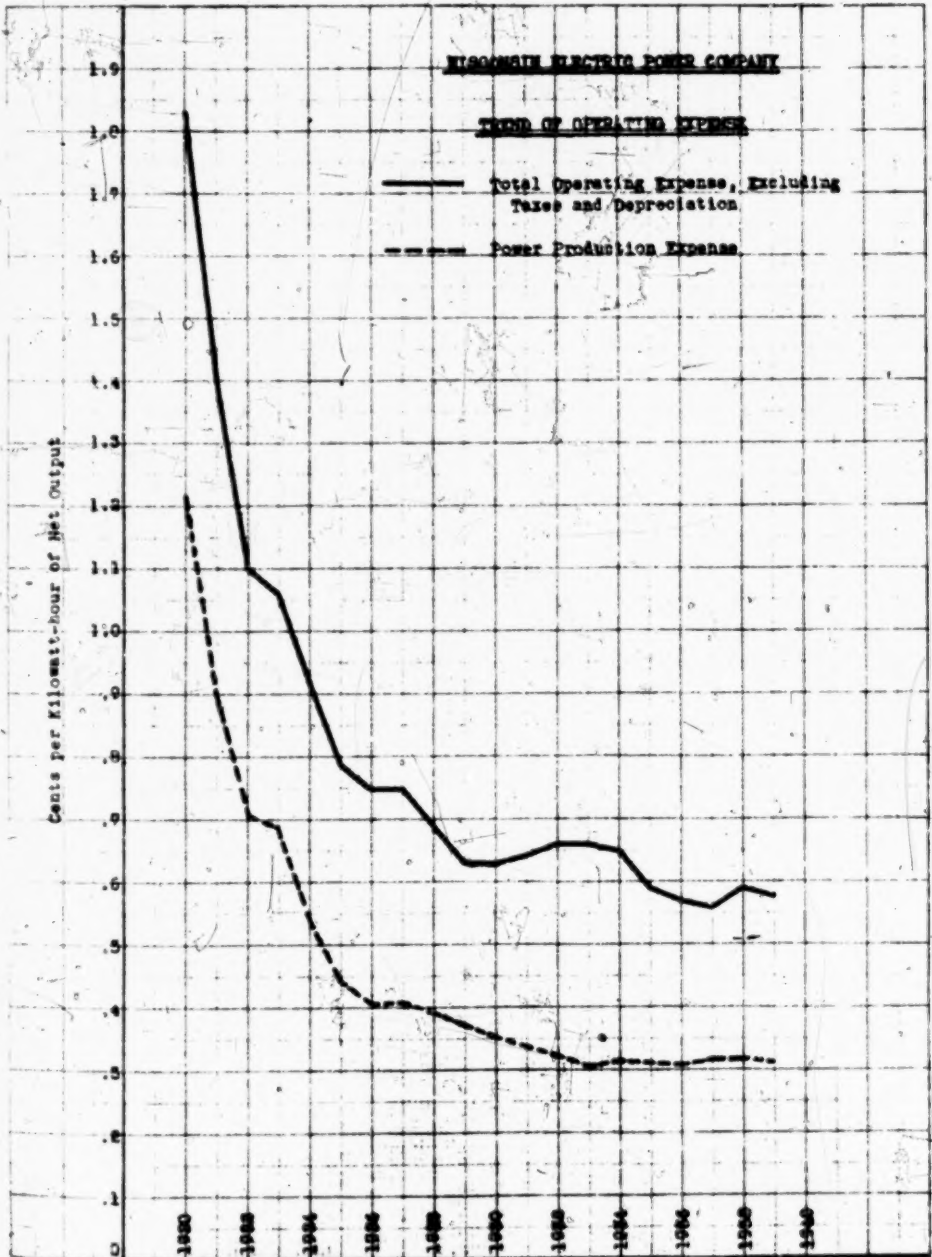
**Petitioners' Exhibit No. 33****WISCONSIN-MICHIGAN COMPANIES****NUMBER OF CUSTOMERS AT END OF YEAR  
AND TOTAL ANNUAL ENERGY SALES**

Year	WISCONSIN ELECTRIC POWER COMPANY		WISCONSIN GAS & ELECTRIC COMPANY		WISCONSIN-MICHIGAN POWER COMPANY	
	Number of Customers	Kilowatt-Hours Sold	Number of Customers	Kilowatt-Hours Sold	Number of Customers	Kilowatt-Hours Sold
1910	12,151	25,122,394				
1911	16,639	33,013,188				
1912	22,606	44,937,261	1,714	803,755		
1913	27,451	58,765,891	2,466	3,966,424		
1914	35,871	63,233,930	2,983	3,885,248		
1915	42,659	73,017,861	5,486	6,383,218		
1916	51,243	105,736,833	7,096	9,940,168		
1917	59,169	149,618,475	9,176	15,088,022		
1918	62,948	195,856,217	10,145	22,127,268		
1919	72,292	200,827,840	11,749	31,083,955		
1920	83,361	249,248,313	13,918	38,649,263		
1921	94,797	226,789,404	15,612	36,300,769		
1922	108,420	308,942,928	17,321	53,736,924		
1923	132,036	395,016,712	21,526	67,396,312	9,600	95,960,128
1924	152,302	419,899,466	27,007	75,291,290	10,339	100,025,145
1925	171,696	512,056,477	29,131	97,240,706	11,078	125,378,999
1926	186,123	603,906,797	34,550	114,131,318	11,664	164,122,113
1927	200,416	642,275,737	38,601	110,480,278	21,236	170,916,975
1928	211,718	751,687,644	41,931	129,985,631	23,174	193,678,380
1929	222,407	894,232,022	44,919	139,335,611	26,111	194,022,730
1930	226,231	830,241,360	46,723	122,653,304	27,510	179,267,208
1931	227,217	741,787,496	48,060	117,810,943	27,986	151,724,648
1932	223,970	626,777,098	51,474	101,547,189	27,582	144,115,147
1933	226,829	638,880,258	52,252	105,646,792	27,886	128,746,907
1934	232,816	723,585,409	53,565	119,923,498	28,989	145,548,571
1935	238,301	837,060,362	55,213	145,507,724	29,506	154,598,746
1936	242,453	951,496,978	58,044	148,393,013	31,385	163,622,851
1937	246,211	1,098,299,414	61,862	160,889,885	33,458	174,561,361
1938	247,214	1,066,389,536	63,891	145,515,301	34,949	231,596,044
1939	250,770	1,194,464,505	65,724	170,719,589	36,297	212,348,714

**NOTES:**

1. The above data include sales to other electric utilities.
2. The data for Wisconsin Electric Power Company for the years 1938 and 1939 include energy sold to the transportation department (since October 21, 1938 a transportation subsidiary) which prior to 1938 was treated as energy transferred to the transportation department.

## Petitioners' Exhibit No. 35



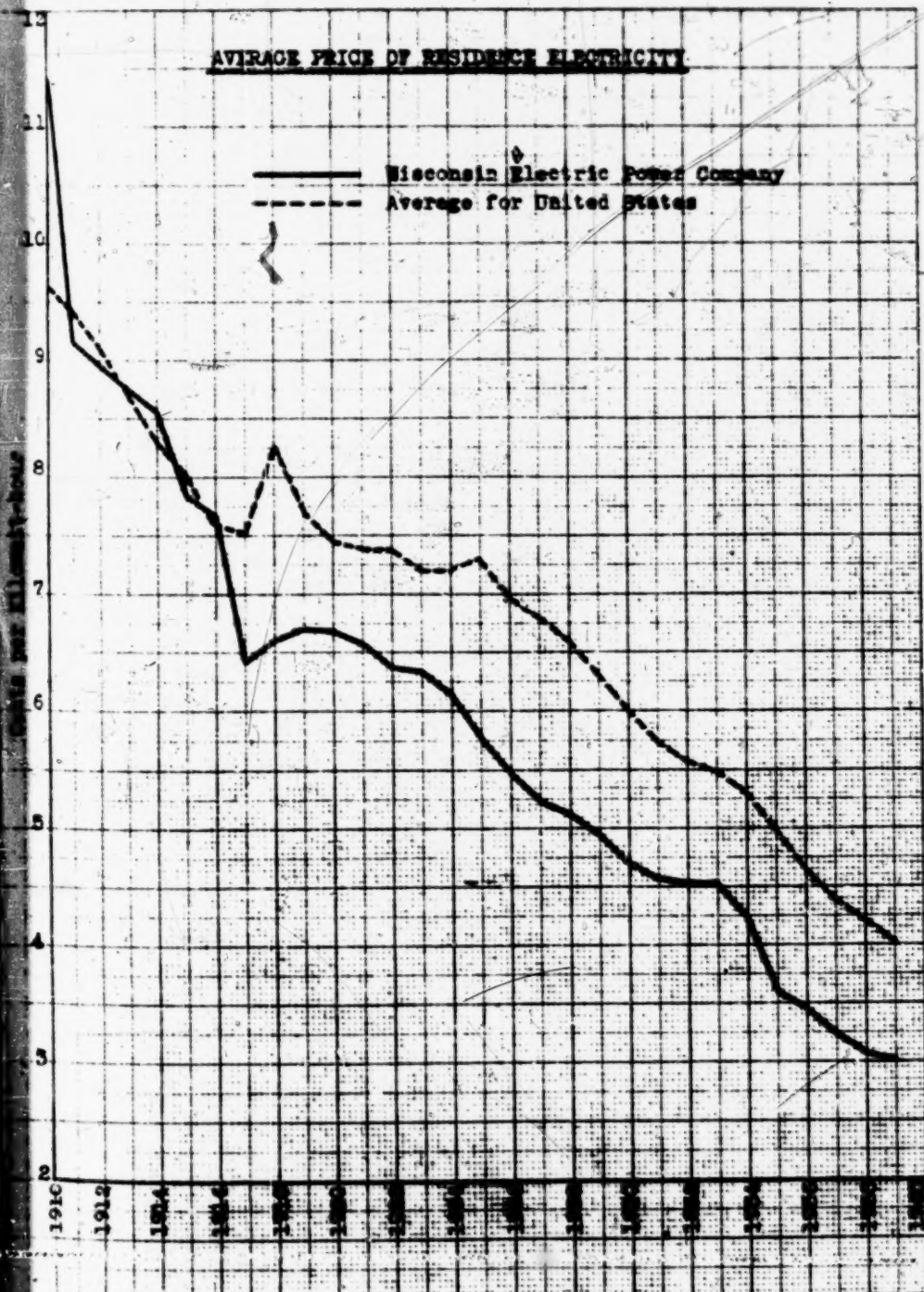




## Petitioners' Exhibit No. 37

AVERAGE PRICE OF RESIDENCE ELECTRICITY

— Wisconsin Electric Power Company  
- - - Average for United States



**Petitioners' Exhibit No. 38****RESIDENTIAL RATE REDUCTIONS  
UPON ACQUISITION OF LOCAL UTILITY SYSTEMS**

NET BILL FOR MONTHLY CONSUMPTION OF 40 Kw-Hr.

Community	Under Local Utility Rates At Time of Acquisition \$	Net Bill \$	Under Rate First Applied by Company After Acquisition	
			Saving to Customer	
			Amount \$	%
A. UTILITIES ACQUIRED BY WISCONSIN ELECTRIC POWER COMPANY				
Dousman	6.00	2.65	3.35	56
Honey Creek	4.86	2.51	2.35	48
New Butler	5.13	2.65	2.48	48
North Milwaukee	4.56	2.16	2.40	53
Port Washington	2.60	2.30	.30	12
B. UTILITIES ACQUIRED BY WISCONSIN GAS & ELECTRIC COMPANY				
Allenton	8.00	2.74	5.26	66
Ashippun	6.00	2.74	3.26	54
Barton	3.30	2.68	.62	19
Bristol	10.25	2.74	7.51	73
Campbellsport	5.04	2.74	2.30	46
Cascade	5.10	3.13	1.97	39
Clyman	6.00	2.74	3.26	54
Eden	6.00	2.74	3.26	54
Fort Atkinson	3.60	2.68	.92	26
Grafton	4.13	2.91	1.22	30
Helensville	4.75	2.68	2.07	44
Iron Ridge	4.00	2.74	1.26	32
Lomira	4.83	2.74	2.09	43
Lowell	4.77	3.32	1.45	30
Menomonee Falls	5.05	2.16	2.89	57
Neosho	6.00	2.68	3.32	55
Reeseville	5.60	2.74	2.86	51
Rome	5.90	3.40	2.50	42
South Germantown	5.40	2.16	3.24	60
Sullivan	5.90	3.40	2.50	42
Theresa	4.00	2.74	1.26	32
Thiensville	4.90	2.16	2.74	56
Union Grove	6.00	2.74	3.26	54
Waukesha	4.27	2.76	1.51	35
West Bend	3.30	2.68	.62	19
Woodland	6.00	3.13	2.87	48

## Petitioners' Exhibit No. 38

RESIDENTIAL RATE REDUCTIONS  
UPON ACQUISITION OF LOCAL UTILITY SYSTEMS

NET BILL FOR MONTHLY CONSUMPTION OF 40 Kw-Hr.

Community	Under Local Utility Rates At Time of Acquisition \$	Net Bill \$	Under Rate First Applied by Company After Acquisition	
			Saving to Customer	
			Amount \$	%
C. UTILITIES ACQUIRED BY WISCONSIN MICHIGAN POWER COMPANY				
Alpha, Michigan	3.60	2.94	.66	18
Amasa, Michigan	4.00	2.94	1.06	27
Aurora, Wisconsin	5.00	2.94	2.06	41
Bark River, Michigan	6.00	2.94	3.06	51
Carney, Michigan	6.00	2.94	3.06	51
Hermansville, Michigan	6.00	2.94	3.06	51
Loretto, Michigan	3.60	2.94	.66	18
Niagara, Wisconsin	3.60	2.94	.66	18
Powers, Michigan	6.00	2.94	3.06	51
Spalding, Michigan	6.00	2.94	3.06	51
Watersmeet, Michigan	5.70	2.94	2.76	48
Weyauwega, Wisconsin	4.40	2.62	1.78	40



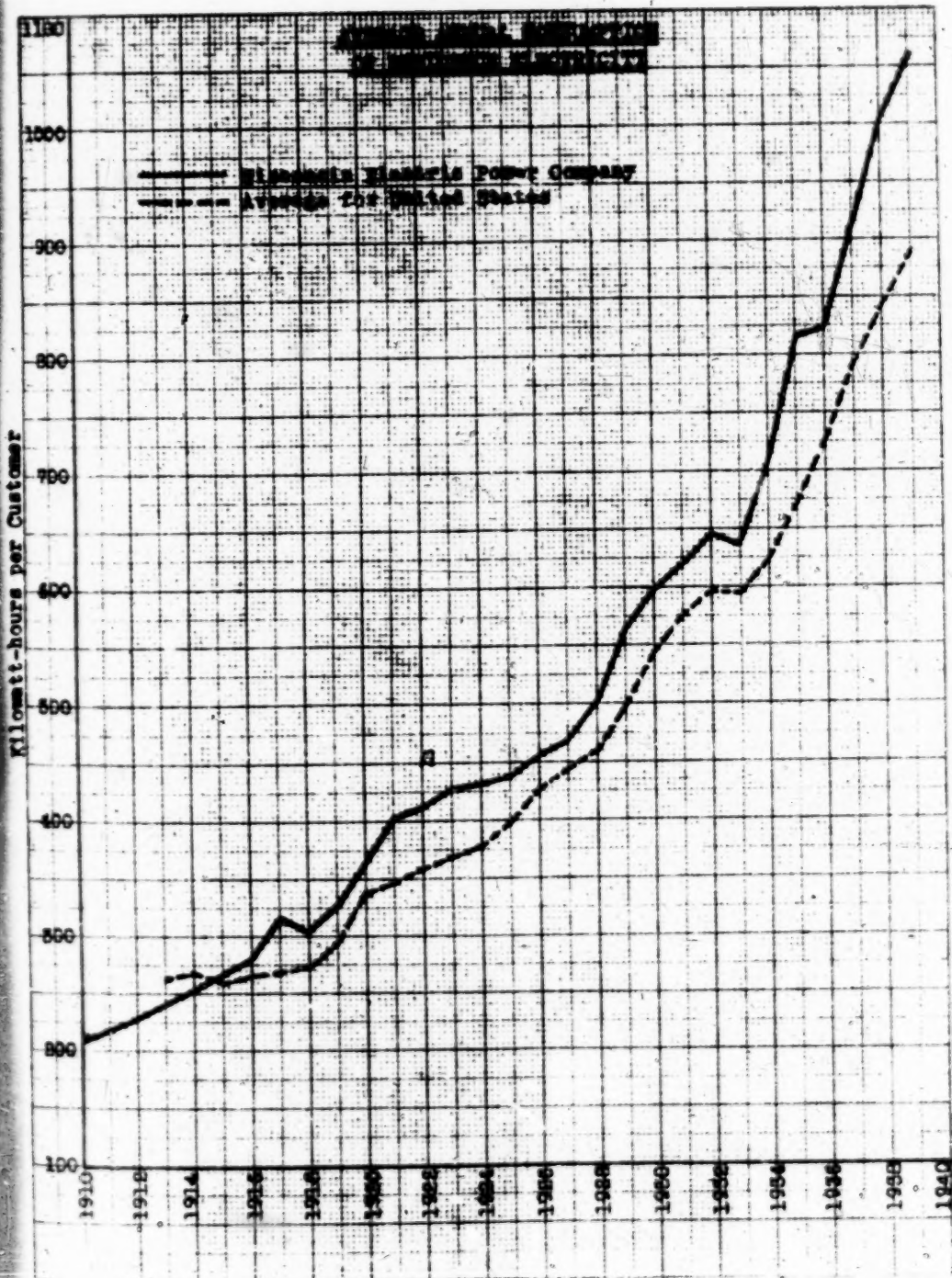
**Petitioners' Exhibit No. 39**

**WISCONSIN ELECTRIC POWER COMPANY  
AMOUNTS SAVED BY CUSTOMERS  
UNDER "10 FOR 1" PLAN**

Year	Residential	Rural	Commercial	Large Users	Municipal Secondary	Total
1935.....	\$ 33,999.21	\$ 850.29	\$ 37,461.24	\$ 3,880.28	\$ —	\$ 76,191.02
1936.....	447,967.78	20,210.81	237,929.42	34,285.29	7,646.40	748,039.70
1937.....	658,729.42	27,249.00	301,167.60	47,920.96	10,680.12	1,045,747.10
1938.....	728,029.59	32,008.07	310,957.94	52,384.21	17,112.44	1,140,492.25
1939.....	685,358.20	36,564.69	302,919.90	41,044.73	15,534.00	1,081,421.52
1940*.....	380,530.10	18,557.29	172,742.28	16,211.47	7,278.89	595,320.03
Total .....	\$2,934,614.30	\$135,440.15	\$1,363,178.38	\$195,726.94	\$58,251.85	\$4,687,211.62

\*To June 30, 1940.

3254



## Petitioners' Exhibit No. 45

## WISCONSIN ELECTRIC POWER COMPANY

(Formerly the Milwaukee Electric Railway and Light Company)

OUTSTANDING SECURITIES BY CLASSES AS AT DECEMBER 31, 1896-1939, INCLUSIVE  
AND AS AT JUNE 30, 1940

	COMMON STOCK		PREFERRED STOCK		BONDS		NOTES		TOTAL SECURITIES OUTSTANDING	
	Number of Issues	Par Value	Number of Issues	Par Value	Number of Issues	Par Value	Number of Issues	Par Value	Number of Issues	Par Value
June 30, 1940.....	1	\$13,959,280	2	\$30,660,600	1	\$55,000,000	1	\$13,250,000	5	\$112,869,880
Dec. 31, 1939.....	1	21,000,000	2	32,660,600	1	55,000,000	1	13,250,000	5	121,910,600
" 1938.....	1	21,000,000	2	32,709,800	1	55,000,000	1	14,500,000	5	123,209,800
" 1937.....	1	21,000,000	2	23,489,400	2	59,609,500	—	—	5	104,098,900
" 1936.....	1	21,000,000	2	23,485,400	2	59,785,500	—	—	5	104,270,900
" 1935.....	1	21,000,000	2	22,919,900	3	62,285,500	—	—	6	106,205,400
" 1934.....	1	21,000,000	2	22,919,900	3	62,680,000	—	—	6	106,599,900
" 1933.....	1	21,000,000	2	22,919,900	3	63,149,000	—	—	6	107,068,900
" 1932.....	1	21,000,000	2	23,060,800	3	63,618,500	—	—	6	107,679,300
" 1931.....	1	21,000,000	2	23,659,400	3	64,089,500	—	—	6	108,748,900
" 1930.....	1	21,000,000	3	24,545,600	4	57,863,500	2	1,100,000	10	104,509,100
" 1929.....	1	21,000,000	3	21,840,000	5	59,418,500	2	1,097,200	11	103,355,700
" 1928.....	1	21,000,000	3	21,043,200	6	44,413,500	2	1,099,900	12	87,556,600
" 1927.....	1	21,000,000	3	19,999,500	5	42,680,500	2	1,099,300	11	84,779,300
" 1926.....	1	19,000,000	3	14,815,700	4	40,179,000	2	1,097,300	10	75,092,000
" 1925.....	1	11,250,000	3	14,356,000	6	45,972,000	2	1,064,100	12	72,642,100
" 1924.....	1	11,250,000	3	12,684,300	6	46,184,300	2	988,100	12	71,106,700
" 1923.....	1	11,250,000	3	11,851,600	6	46,284,500	2	522,500	12	69,908,600
" 1922.....	1	11,250,000	3	8,504,800	5	36,547,000	3	5,022,000	12	61,323,800
" 1921.....	1	9,850,000	2	6,073,600	5	28,997,000	4	7,281,000	12	52,201,600
" 1920.....	1	9,850,000	1	4,500,000	4	24,047,000	4	7,540,000	10	45,937,000
" 1919.....	1	9,850,000	1	4,500,000	4	27,047,000	3	6,600,000	9	47,997,000
" 1918.....	1	9,850,000	1	4,500,000	3	22,047,000	3	3,819,350	8	40,216,350
" 1917.....	1	9,850,000	1	4,500,000	3	19,046,000	1	1,300,000	6	34,696,000
" 1916.....	1	9,850,000	1	4,500,000	3	19,046,000	1	1,150,000	6	34,546,000
" 1915.....	1	9,850,000	1	4,500,000	3	18,533,000	—	—	5	32,883,000
" 1914.....	1	9,850,000	1	4,500,000	3	18,533,000	—	—	5	32,883,000
" 1913.....	1	9,850,000	1	4,500,000	3	18,533,000	—	—	5	32,883,000
" 1912.....	1	9,850,000	1	4,500,000	3	16,849,000	—	—	5	31,199,000
" 1911.....	1	9,000,000	1	4,500,000	2	13,228,000	—	—	4	26,728,000
" 1910.....	1	9,000,000	1	4,500,000	2	13,228,000	—	—	4	26,728,000
" 1909.....	1	9,000,000	1	4,500,000	2	13,228,000	—	—	4	26,728,000
" 1908.....	1	9,000,000	1	4,500,000	3	12,832,000	—	—	5	26,332,000
" 1907.....	1	9,000,000	1	4,500,000	4	12,000,000	—	—	6	25,500,000
" 1906.....	1	9,000,000	1	4,500,000	4	11,000,000	—	—	6	24,500,000
" 1905.....	1	9,000,000	1	4,500,000	3	8,000,000	1	198,405	6	21,698,405
" 1904.....	1	9,000,000	1	4,500,000	3	8,000,000	1	198,405	6	21,698,405
" 1903.....	1	8,013,500	1	4,500,000	3	8,000,000	1	198,405	6	20,711,905
" 1902.....	1	7,000,000	1	4,500,000	3	8,000,000	1	198,405	6	19,698,405
" 1901.....	1	6,500,000	1	4,500,000	3	8,000,000	1	278,405	6	19,278,405
" 1900.....	1	3,500,000	1	3,986,200	3	8,000,000	1	278,405	6	15,764,605
" 1899.....	1	3,500,000	1	3,500,000	3	8,000,000	1	298,405	6	15,298,405
" 1898.....	1	3,500,000	1	3,500,000	3	7,803,000	1	100,000	6	14,903,000
" 1897.....	1	3,500,000	1	3,500,000	3	7,100,000	1	105,000	6	14,205,000
" 1896.....	1	3,500,000	1	3,500,000	3	7,000,000	—	—	5	14,000,000

*Petitioners' Exhibit No. 45*

WISCONSIN ELECTRIC POWER COMPANY

(Formerly the Milwaukee Electric Railway and Light Company)

BONDS OUTSTANDING AS AT DECEMBER 31, 1896-1939, INCLUSIVE

AND AS AT JUNE 30, 1940

	First Mtge. Bonds 3½% Series due 1968	Refunding & First Mtge. Bonds, 5%, Series B due 1961	First Mtge. Bonds 5% Series due 1967	First Mtge. Bonds 5% Series due 1971	Refunding & Extension Mtge. 4½% Bonds due 1931	Mil. Nor. Ry. Co. First Mtge. Bonds due 1931	General & Refunding Mortgage 5% Bonds Series "A" due 1951	M. L. H. & T. Co. First Mortgage 5% Bonds due 1929	First Consolidated Mortgage 5% Bonds, due 1926
June 30, 1940.....	\$55,000,000	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Dec. 31, 1939.....	55,000,000	—	—	—	—	—	—	—	—
" 1938.....	55,000,000	—	—	—	—	—	—	—	—
" 1937.....	—	44,609,500	—	15,000,000	—	—	—	—	—
" 1936.....	—	44,785,500	—	15,000,000	—	—	—	—	—
" 1935.....	—	44,785,500	2,500,000	15,000,000	—	—	—	—	—
" 1934.....	—	45,255,000	2,500,000	14,925,000	—	—	—	—	—
" 1933.....	—	45,724,000	2,500,000	14,925,000	—	—	—	—	—
" 1932.....	—	46,193,500	2,500,000	14,925,000	—	—	—	—	—
" 1931.....	—	46,664,500	2,500,000	14,925,000	—	—	—	—	—
" 1930.....	—	46,898,500	2,500,000	—	6,728,000	1,737,000	—	—	—
" 1929.....	—	46,546,500	2,500,000	—	6,728,000	1,737,000	1,907,000	—	—
" 1928.....	—	26,409,500	2,500,000	—	6,728,000	1,737,000	2,039,000	5,000,000	—
" 1927.....	—	25,124,500	2,500,000	—	6,728,000	—	3,328,000	5,000,000	—
" 1926.....	—	22,632,000	—	—	6,728,000	—	5,819,000	5,000,000	—
" 1925.....	—	12,125,000	—	—	6,728,000	—	5,819,000	5,000,000	6,500,000
" 1924.....	—	12,237,300	—	—	6,728,000	—	5,819,000	5,000,000	6,500,000
" 1923.....	—	12,237,500	—	—	6,728,000	—	5,819,000	5,000,000	6,500,000
" 1922.....	—	12,500,000	—	—	6,728,000	—	5,819,000	5,000,000	6,500,000
" 1921.....	—	—	—	—	6,728,000	—	5,819,000	5,000,000	6,500,000
" 1920.....	—	—	—	—	6,728,000	—	5,819,000	5,000,000	6,500,000
" 1919.....	—	—	—	—	6,728,000	—	8,819,000	5,000,000	6,500,000
" 1918.....	—	—	—	—	6,728,000	—	8,819,000	—	6,500,000
" 1917.....	—	—	—	—	6,728,000	—	5,818,000	—	6,500,000
" 1916.....	—	—	—	—	6,728,000	—	5,818,000	—	6,500,000
" 1915.....	—	—	—	—	6,728,000	—	5,305,000	—	6,500,000
" 1914.....	—	—	—	—	6,728,000	—	5,305,000	—	6,500,000
" 1913.....	—	—	—	—	6,728,000	—	5,305,000	—	6,500,000
" 1912.....	—	—	—	—	6,728,000	—	3,621,000	—	6,500,000
" 1911.....	—	—	—	—	6,728,000	—	—	—	6,500,000
" 1910.....	—	—	—	—	6,728,000	—	—	—	6,500,000
" 1909.....	—	—	—	—	6,728,000	—	—	—	6,500,000
" 1908.....	—	—	—	—	5,832,000	—	—	—	6,500,000
" 1907.....	—	—	—	—	4,000,000	—	—	—	6,500,000
" 1906.....	—	—	—	—	3,000,000	—	—	—	6,500,000
" 1905.....	—	—	—	—	—	—	—	—	6,500,000
" 1904.....	—	—	—	—	—	—	—	—	6,500,000
" 1903.....	—	—	—	—	—	—	—	—	6,500,000
" 1902.....	—	—	—	—	—	—	—	—	6,500,000
" 1901.....	—	—	—	—	—	—	—	—	6,500,000
" 1900.....	—	—	—	—	—	—	—	—	6,500,000
" 1899.....	—	—	—	—	—	—	—	—	6,500,000
" 1898.....	—	—	—	—	—	—	—	—	6,303,000
" 1897.....	—	—	—	—	—	—	—	—	5,600,000
" 1896.....	—	—	—	—	—	—	—	—	5,500,000



Refunding & First Mtge. Bonds, 6% Series "C", due 1953	Refunding & First Mtge. Bonds, 7½% due 1940	West Side R. R. Co. 5% Bonds due 1909	Milwaukee City R. R. Co. First Mtge. Bonds	Total Outstanding Bonds
\$ —	\$ —	\$ —	\$ —	\$55,000,000
—	—	—	—	55,000,000
—	—	—	—	55,000,000
—	—	—	—	59,609,500
—	—	—	—	59,785,500
—	—	—	—	62,285,500
—	—	—	—	62,680,000
—	—	—	—	63,149,000
—	—	—	—	63,618,500
—	—	—	—	64,089,500
—	—	—	—	57,863,500
—	—	—	—	59,418,500
—	—	—	—	44,413,500
—	—	—	—	42,680,500
—	—	—	—	40,179,000
9,800,000	—	—	—	45,972,000
9,900,000	—	—	—	46,184,300
10,000,000	—	—	—	46,284,500
—	—	—	—	36,547,000
—	4,950,000	—	—	28,997,000
—	—	—	—	24,047,000
—	—	—	—	27,047,000
—	—	—	—	22,047,000
—	—	—	—	19,046,000
—	—	—	—	19,046,000
—	—	—	—	18,533,000
—	—	—	—	18,533,000
—	—	—	—	18,533,000
—	—	—	—	16,849,000
—	—	—	—	13,228,000
—	—	—	—	13,228,000
—	—	—	—	13,228,000
—	—	500,000	—	12,832,000
—	—	500,000	1,000,000	12,000,000
—	—	500,000	1,000,000	11,000,000
—	—	500,000	1,000,000	8,000,000
—	—	500,000	1,000,000	8,000,000
—	—	500,000	1,000,000	8,000,000
—	—	500,000	1,000,000	8,000,000
—	—	500,000	1,000,000	8,000,000
—	—	500,000	1,000,000	8,000,000
—	—	500,000	1,000,000	8,000,000
—	—	500,000	1,000,000	8,000,000
—	—	500,000	1,000,000	7,803,000
—	—	500,000	1,000,000	7,100,000
—	—	500,000	1,000,000	7,000,000

NOTES OUTSTANDING AS AT DECEMBER 31, 1896-1939, INCLUSIVE  
AND AS AT JUNE 30, 1940

	Unsecured Promissory Notes, due Serially to 1948	10 Year Gold Notes 6½%	5 Year Gold Notes 6%	Serial Gold Notes 5% Due 1926	5 Year Secured Notes 7% Due 1923	10 Year 8% Equipment Trust Certificate Due 1930	3 Year Secured Notes 7% Due 1923	2 Year Secured Notes 7% Due 1920	Mortgage Notes	Total Notes Outstanding
June 30, 1940.....	\$13,250,000	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$13,250,000
Dec. 31, 1939.....	13,250,000	—	—	—	—	—	—	—	—	13,250,000
" 1938.....	14,500,000	—	—	—	—	—	—	—	—	14,500,000
" 1937.....	—	—	—	—	—	—	—	—	—	—
" 1936.....	—	—	—	—	—	—	—	—	—	—
" 1935.....	—	—	—	—	—	—	—	—	—	—
" 1934.....	—	—	—	—	—	—	—	—	—	—
" 1933.....	—	—	—	—	—	—	—	—	—	—
" 1932.....	—	—	—	—	—	—	—	—	—	—
" 1931.....	—	—	—	—	—	—	—	—	—	—
" 1930.....	—	1,000,000	100,000	—	—	—	—	—	—	1,100,000
" 1929.....	—	997,200	100,000	—	—	—	—	—	—	1,097,200
" 1928.....	—	1,000,000	99,900	—	—	—	—	—	—	1,099,900
" 1927.....	—	999,300	100,000	—	—	—	—	—	—	1,099,300
" 1926.....	—	997,300	100,000	—	—	—	—	—	—	1,097,300
" 1925.....	—	964,100	—	100,000	—	—	—	—	—	1,064,100
" 1924.....	—	738,100	—	250,000	—	—	—	—	—	988,100
" 1923.....	—	122,500	—	400,000	—	—	—	—	—	522,500
" 1922.....	—	—	—	550,000	3,600,000	872,000	—	—	—	5,022,000
" 1921.....	—	—	—	700,000	3,600,000	981,000	2,000,000	—	—	7,281,000
" 1920.....	—	—	—	850,000	3,600,000	1,090,000	2,000,000	—	—	7,540,000
" 1919.....	—	—	—	1,000,000	3,600,000	—	—	2,000,000	—	6,600,000
" 1918.....	—	—	—	1,150,000	669,350	—	—	2,000,000	—	3,819,350
" 1917.....	—	—	—	1,300,000	—	—	—	—	—	1,300,000
" 1916.....	—	—	—	1,150,000	—	—	—	—	—	1,150,000
" 1915.....	—	—	—	—	—	—	—	—	—	—
" 1914.....	—	—	—	—	—	—	—	—	—	—
" 1913.....	—	—	—	—	—	—	—	—	—	—
" 1912.....	—	—	—	—	—	—	—	—	—	—
" 1911.....	—	—	—	—	—	—	—	—	—	—
" 1910.....	—	—	—	—	—	—	—	—	—	—
" 1909.....	—	—	—	—	—	—	—	—	—	—
" 1908.....	—	—	—	—	—	—	—	—	—	—
" 1907.....	—	—	—	—	—	—	—	—	—	—
" 1906.....	—	—	—	—	—	—	—	—	—	—
" 1905.....	—	—	—	—	—	—	—	—	198,405	198,405
" 1904.....	—	—	—	—	—	—	—	—	198,405	198,405
" 1903.....	—	—	—	—	—	—	—	—	198,405	198,405
" 1902.....	—	—	—	—	—	—	—	—	198,405	198,405
" 1901.....	—	—	—	—	—	—	—	—	278,405	278,405
" 1900.....	—	—	—	—	—	—	—	—	278,405	278,405
" 1899.....	—	—	—	—	—	—	—	—	298,405	298,405
" 1898.....	—	—	—	—	—	—	—	—	100,000	100,000
" 1897.....	—	—	—	—	—	—	—	—	105,000	105,000
" 1896.....	—	—	—	—	—	—	—	—	—	—

## Petitioners' Exhibit No. 45

WISCONSIN ELECTRIC POWER COMPANY  
(Formerly the Milwaukee Electric Railway and Light Company)

CAPITAL STOCK OUTSTANDING AS AT DECEMBER 31, 1896-1939, INCLUSIVE,  
AND AS AT JUNE 30, 1940

	Common Stock	Six Per Cent.	4¼% Series	Issue of 1921			Total Capital Stock Outstanding
				6% Series	7% Series	8% Series	
June 30, 1940.....	\$13,959,280	\$ 4,450,800	\$26,209,800	\$ —	\$ —	\$ —	\$44,619,880
Dec. 31, 1939.....	21,000,000	4,450,800	—	28,209,800	—	—	53,660,600
" 1938.....	21,000,000	4,500,000	—	28,209,800	—	—	53,709,800
" 1937.....	21,000,000	3,150,600	—	20,338,800	—	—	44,489,400
" 1936.....	21,000,000	3,150,600	—	20,334,800	—	—	44,485,400
" 1935.....	21,000,000	3,150,600	—	19,769,300	—	—	43,919,900
" 1934.....	21,000,000	3,150,600	—	19,769,300	—	—	43,919,900
" 1933.....	21,000,000	3,150,600	—	19,769,300	—	—	43,919,900
" 1932.....	21,000,000	3,265,200	—	19,795,600	—	—	44,060,800
" 1931.....	21,000,000	3,635,000	—	20,024,400	—	—	44,659,400
" 1930.....	21,000,000	3,708,700	—	18,080,900	2,756,000	—	45,545,600
" 1929.....	21,000,000	3,709,700	—	15,289,200	2,841,100	—	42,840,000
" 1928.....	21,000,000	4,191,200	—	13,827,400	3,024,600	—	42,043,200
" 1927.....	21,000,000	4,276,500	—	5,378,000	10,345,000	—	40,999,500
" 1926.....	19,000,000	4,350,000	—	131,700	10,334,000	—	33,815,700
" 1925.....	11,250,000	4,500,000	—	—	6,896,900	2,959,100	25,606,000
" 1924.....	11,250,000	4,500,000	—	—	5,200,200	2,984,100	23,934,300
" 1923.....	11,250,000	4,486,000	—	—	4,382,300	2,983,300	23,101,600
" 1922.....	11,250,000	4,500,000	—	—	1,267,500	2,737,300	19,754,800
" 1921.....	9,850,000	4,500,000	—	—	—	1,573,600	15,923,600
" 1920.....	9,850,000	4,500,000	—	—	—	—	14,350,000
" 1919.....	9,850,000	4,500,000	—	—	—	—	14,350,000
" 1918.....	9,850,000	4,500,000	—	—	—	—	14,350,000
" 1917.....	9,850,000	4,500,000	—	—	—	—	14,350,000
" 1916.....	9,850,000	4,500,000	—	—	—	—	14,350,000
" 1915.....	9,850,000	4,500,000	—	—	—	—	14,350,000
" 1914.....	9,850,000	4,500,000	—	—	—	—	14,350,000
" 1913.....	9,850,000	4,500,000	—	—	—	—	14,350,000
" 1912.....	9,850,000	4,500,000	—	—	—	—	14,350,000
" 1911.....	9,000,000	4,500,000	—	—	—	—	13,500,000
" 1910.....	9,000,000	4,500,000	—	—	—	—	13,500,000
" 1909.....	9,000,000	4,500,000	—	—	—	—	13,500,000
" 1908.....	9,000,000	4,500,000	—	—	—	—	13,500,000
" 1907.....	9,000,000	4,500,000	—	—	—	—	13,500,000
" 1906.....	9,000,000	4,500,000	—	—	—	—	13,500,000
" 1905.....	9,000,000	4,500,000	—	—	—	—	13,500,000
" 1904.....	9,000,000	4,500,000	—	—	—	—	13,500,000
" 1903.....	8,013,500	4,500,000	—	—	—	—	12,513,500
" 1902.....	7,000,000	4,500,000	—	—	—	—	11,500,000
" 1901.....	6,500,000	4,500,000	—	—	—	—	11,000,000
" 1900.....	3,500,000	3,986,200	—	—	—	—	7,486,200
" 1899.....	3,500,000	3,500,000	—	—	—	—	7,000,000
" 1898.....	3,500,000	3,500,000	—	—	—	—	7,000,000
" 1897.....	3,500,000	3,500,000	—	—	—	—	7,000,000
" 1896.....	3,500,000	3,500,000	—	—	—	—	7,000,000

## Petitioners' Exhibit No. 47

## WISCONSIN GAS &amp; ELECTRIC COMPANY

SECURITIES OUTSTANDING BY CLASSES AS AT DECEMBER 31, 1902-1939, INCLUSIVE,  
AND AS AT JUNE 30, 1940

	COMMON STOCK		PREFERRED STOCK		BONDS		NOTES		TOTAL SECURITIES OUTSTANDING	
	Number of Issues	Par Value	Number of Issues	Par Value	Number of Issues	Par Value	Number of Issues	Par Value	Number of Issues	Par Value
June 30, 1940.....	1	\$6,000,000	1	\$3,342,500	2	\$10,769,000	1	\$1,200,000	5	\$21,311,500
Dec. 31, 1939.....	1	6,000,000	1	3,342,500	2	10,769,000	1	1,500,000	5	21,611,500
" 1938.....	1	6,000,000	1	4,648,000	2	10,769,000	—	—	4	21,417,000
" 1937.....	1	6,000,000	1	4,648,000	2	10,769,000	—	—	4	21,417,000
" 1936.....	1	6,000,000	1	4,648,000	2	10,769,000	—	—	4	21,417,000
" 1935.....	1	6,000,000	1	4,648,000	2	10,169,000	—	—	4	20,817,000
" 1934.....	1	6,000,000	1	4,648,000	2	10,169,000	—	—	4	20,817,000
" 1933.....	1	6,000,000	1	4,648,000	2	10,169,000	—	—	4	20,817,000
" 1932.....	1	6,000,000	1	4,658,300	2	10,169,000	—	—	4	20,827,300
" 1931.....	1	6,000,000	1	4,469,900	2	10,170,000	—	—	4	20,639,900
" 1930.....	1	6,000,000	2	4,200,200	2	10,170,000	—	—	5	20,370,200
" 1929.....	1	6,000,000	2	4,328,100	2	10,174,900	—	—	5	20,503,000
" 1928.....	1	6,000,000	2	4,455,900	3	5,472,500	—	—	6	15,928,400
" 1927.....	1	6,000,000	2	4,451,900	2	5,351,500	—	—	5	15,803,400
" 1926.....	1	4,000,000	2	4,291,200	2	5,351,800	2	110,150	7	13,753,150
" 1925.....	1	2,615,000	1	2,883,300	4	5,395,700	2	120,200	8	11,014,200
" 1924.....	1	2,615,000	1	2,450,200	3	5,369,300	5	1,415,150	10	11,849,650
" 1923.....	1	2,500,000	1	2,355,400	3	3,996,000	5	1,475,650	10	10,327,050
" 1922.....	1	2,000,000	1	1,910,200	2	2,989,500	4	1,284,900	8	8,184,600
" 1921.....	1	1,747,500	1	1,498,100	1	2,971,300	4	1,265,250	7	7,482,150
" 1920.....	1	1,747,500	1	1,056,300	2	3,072,700	4	1,287,550	8	7,164,050
" 1919.....	1	1,747,500	1	500,000	2	3,083,500	1	298,900	5	5,629,900
" 1918.....	1	1,747,500	1	500,000	2	3,089,100	1	300,000	5	5,636,600
" 1917.....	1	1,747,500	1	376,700	2	3,080,200	—	—	4	5,204,400
" 1916.....	1	1,657,500	1	200,000	2	2,752,100	—	—	4	4,609,600
" 1915.....	1	1,657,500	1	200,000	2	2,500,000	—	—	4	4,357,500
" 1914.....	1	1,000,000	1	200,000	1	2,000,000	—	—	3	3,200,000
" 1913.....	1	1,000,000	1	200,000	1	2,000,000	—	—	3	3,200,000
" 1912.....	1	1,000,000	1	200,000	1	2,000,000	—	—	3	3,200,000
" 1911.....	1	500,000	—	—	1	1,000,000	—	—	2	1,500,000
" 1910.....	1	500,000	—	—	1	1,000,000	—	—	2	1,500,000
" 1909.....	1	500,000	—	—	1	1,000,000	—	—	2	1,500,000
" 1908.....	1	500,000	—	—	1	850,000	—	—	2	1,350,000
" 1907.....	1	500,000	—	—	1	700,000	—	—	2	1,200,000
" 1906.....	1	500,000	—	—	1	700,000	—	—	2	1,200,000
" 1905.....	1	500,000	—	—	1	700,000	—	—	2	1,200,000
" 1904.....	1	500,000	—	—	1	700,000	—	—	2	1,200,000
" 1903.....	1	500,000	—	—	1	700,000	—	—	2	1,200,000
" 1902.....	1	500,000	—	—	1	700,000	—	—	2	1,200,000



MORTGAGE BONDS OUTSTANDING AS AT DECEMBER 31, 1902-1939, INCLUSIVE  
AND AS AT JUNE 30, 1940

	30 Year 1st Mortgage Bonds 3½% Series Due 4/1/1966	First Mortgage Bonds Series A 5% Due 6/1/1952	Waukeshā Gas & Electric Co. First Mortgage Bonds 50 Yr. Series 5% Due 1/1/1959	Badger Public Service Co. First Mortgage Gold Bonds 6% Due 7/1/1939	Bark River Electric Light & Power Co. First Mortgage 6% Bonds Due 10/1/1936	Watertown Gas & Electric Co. First Mortgage 5% Gold Bonds Due 6/1/1930	Joseph Rehl Racine, 6% Real Estate Trustee Mortgage Due 3/1/1929	30 Year Consolidated Mtg. 5% Gold Bonds Due 1/2/1930	Total Bonds Outstanding
June 30, 1940.....	\$10,500,000	\$ —	\$269,000	\$ —	\$ —	\$ —	\$ —	\$ —	\$10,769,000
Dec. 31, 1939.....	10,500,000	—	269,000	—	—	—	—	—	10,769,000
" 1938.....	10,500,000	—	269,000	—	—	—	—	—	10,769,000
" 1937.....	10,500,000	—	269,000	—	—	—	—	—	10,769,000
" 1936.....	10,500,000	—	269,000	—	—	—	—	—	10,769,000
" 1935.....	—	9,900,000	269,000	—	—	—	—	—	10,169,000
" 1934.....	—	9,900,000	269,000	—	—	—	—	—	10,169,000
" 1933.....	—	9,900,000	269,000	—	—	—	—	—	10,169,000
" 1932.....	—	9,900,000	269,000	—	—	—	—	—	10,169,000
" 1931.....	—	9,900,000	270,000	—	—	—	—	—	10,170,000
" 1930.....	—	9,900,000	270,000	—	—	—	—	—	10,170,000
" 1929.....	—	9,894,400	280,500	—	—	—	—	—	10,174,900
" 1928.....	—	4,898,500	476,000	98,000	—	—	—	—	5,472,500
" 1927.....	—	4,856,500	495,000	—	—	—	—	—	5,351,500
" 1926.....	—	4,856,800	495,000	—	—	—	—	—	5,351,800
" 1925.....	—	4,857,200	495,000	—	10,000	—	33,500	—	5,395,700
" 1924.....	—	4,760,300	599,000	—	10,000	—	—	—	5,369,300
" 1923.....	—	3,386,000	600,000	—	10,000	—	—	—	3,996,000
" 1922.....	—	2,979,500	—	—	10,000	—	—	—	2,989,500
" 1921.....	—	2,971,300	—	—	—	—	—	—	2,971,300
" 1920.....	—	2,972,700	—	—	—	100,000	—	—	3,072,700
" 1919.....	—	2,973,500	—	—	—	110,000	—	—	3,083,500
" 1918.....	—	2,969,100	—	—	—	120,000	—	—	3,089,100
" 1917.....	—	2,950,200	—	—	—	130,000	—	—	3,080,200
" 1916.....	—	2,612,100	—	—	—	140,000	—	—	2,752,100
" 1915.....	—	2,350,000	—	—	—	150,000	—	—	2,500,000
" 1914.....	—	2,000,000	—	—	—	—	—	—	2,000,000
" 1913.....	—	2,000,000	—	—	—	—	—	—	2,000,000
" 1912.....	—	2,000,000	—	—	—	—	—	—	2,000,000
" 1911.....	—	—	—	—	—	—	—	1,000,000	1,000,000
" 1910.....	—	—	—	—	—	—	—	1,000,000	1,000,000
" 1909.....	—	—	—	—	—	—	—	1,000,000	1,000,000
" 1908.....	—	—	—	—	—	—	—	850,000	850,000
" 1907.....	—	—	—	—	—	—	—	700,000	700,000
" 1906.....	—	—	—	—	—	—	—	700,000	700,000
" 1905.....	—	—	—	—	—	—	—	700,000	700,0

## Petitioners' Exhibit No. 47

## WISCONSIN GAS &amp; ELECTRIC COMPANY

NOTES OUTSTANDING AS AT DECEMBER 31, 1918-1939, INCLUSIVE  
AND AS AT JUNE 30, 1940

Date	2 3/4% Unsecured Promissory Notes Due Serially to 1946	6%-10 Year Gold Notes Series D Due 1933	7%-10 Year Gold Notes Series C Due 1930	7%-5 Year Gold Notes Series C Due 1925	7%-5 Year Gold Notes Series B Due 1925	6 1/2%-5 Year Secured Gold Notes Series A-1 Due 1923	Waukesha Gas & Electric Company 6% Serial Notes	Total Notes Outstanding
June 30, 1940.....	\$1,200,000	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$1,200,000
Dec. 31, 1939.....	1,500,000	—	—	—	—	—	—	1,500,000
" 1938.....	—	—	—	—	—	—	—	—
" 1937.....	—	—	—	—	—	—	—	—
" 1936.....	—	—	—	—	—	—	—	—
" 1935.....	—	—	—	—	—	—	—	—
" 1934.....	—	—	—	—	—	—	—	—
" 1933.....	—	—	—	—	—	—	—	—
" 1932.....	—	—	—	—	—	—	—	—
" 1931.....	—	—	—	—	—	—	—	—
" 1930.....	—	—	—	—	—	—	—	—
" 1929.....	—	—	—	—	—	—	—	—
" 1928.....	—	—	—	—	—	—	—	—
" 1927.....	—	—	—	—	—	—	—	—
" 1926.....	—	27,600	82,550	—	—	—	—	110,150
" 1925.....	—	29,700	90,500	—	—	—	—	120,200
" 1924.....	—	72,000	81,700	408,000	478,450	—	375,000	1,415,150
" 1923.....	—	86,800	91,250	408,000	489,600	—	400,000	1,475,650
" 1922.....	—	—	92,000	408,000	485,900	300,000	—	1,284,900
" 1921.....	—	—	92,000	408,000	465,250	300,000	—	1,265,250
" 1920.....	—	—	87,850	403,450	500,000	296,250	—	1,287,550
" 1919.....	—	—	—	—	—	298,900	—	298,900
" 1918.....	—	—	—	—	—	300,000	—	300,000

## Petitioners' Exhibit No. 47

## WISCONSIN GAS &amp; ELECTRIC COMPANY

CAPITAL STOCK OUTSTANDING AS AT DECEMBER 31, 1902-1939, INCLUSIVE,  
AND AS AT JUNE 30, 1940

PREFERRED STOCK								
	Common Stock	4½% Series Cumulative Non- Participating	6% Series C Cumulative Non- Participating	6½% Series B Cumulative Non- Participating	7% Series A Cumulative Non- Participating	7% Non- Cumulative Participating	6% Cumulative Non- Participating	Total Capital Stock
June 30, 1940.....	\$6,000,000	\$3,342,500	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 9,342,500
Dec. 31, 1939.....	6,000,000	3,342,500	—	—	—	—	—	9,342,500
" 1938.....	6,000,000	—	4,648,000	—	—	—	—	10,648,000
" 1937.....	6,000,000	—	4,648,000	—	—	—	—	10,648,000
" 1936.....	6,000,000	—	4,648,000	—	—	—	—	10,648,000
" 1935.....	6,000,000	—	4,648,000	—	—	—	—	10,648,000
" 1934.....	6,000,000	—	4,648,000	—	—	—	—	10,648,000
" 1933.....	6,000,000	—	4,648,000	—	—	—	—	10,648,000
" 1932.....	6,000,000	—	4,658,300	—	—	—	—	10,658,300
" 1931.....	6,000,000	—	4,469,900	—	—	—	—	10,469,900
" 1930.....	6,000,000	—	—	1,323,600	2,876,600	—	—	10,200,200
" 1929.....	6,000,000	—	—	1,387,300	2,940,800	—	—	10,328,100
" 1928.....	6,000,000	—	—	1,470,100	2,985,800	—	—	10,455,900
" 1927.....	6,000,000	—	—	1,463,200	2,988,700	—	—	10,451,900
" 1926.....	4,000,000	—	—	1,355,300	2,935,900	—	—	8,291,200
" 1925.....	2,615,000	—	—	—	2,883,300	—	—	5,498,300
" 1924.....	2,615,000	—	—	—	—	2,450,200	—	5,065,200
" 1923.....	2,500,000	—	—	—	—	2,355,400	—	4,855,400
" 1922.....	2,000,000	—	—	—	—	1,910,200	—	3,910,200
" 1921.....	1,747,500	—	—	—	—	1,498,100	—	3,245,600
" 1920.....	1,747,500	—	—	—	—	1,056,300	—	2,803,800
" 1919.....	1,747,500	—	—	—	—	500,000	—	2,247,500
" 1918.....	1,747,500	—	—	—	—	500,000	—	2,247,500
" 1917.....	1,747,500	—	—	—	—	376,700	—	2,124,200
" 1916.....	1,657,500	—	—	—	—	—	200,000	1,857,500
" 1915.....	1,657,500	—	—	—	—	—	200,000	1,857,500
" 1914.....	1,000,000	—	—	—	—	—	200,000	1,200,000
" 1913.....	1,000,000	—	—	—	—	—	200,000	1,200,000
" 1912.....	1,000,000	—	—	—	—	—	200,000	1,200,000
" 1911.....	500,000	—	—	—	—	—	—	500,000
" 1910.....	500,000	—	—	—	—	—	—	500,000
" 1909.....	500,000	—	—	—	—	—	—	500,000
" 1908.....	500,000	—	—	—	—	—	—	500,000
" 1907.....	500,000	—	—	—	—	—	—	500,000
" 1906.....	500,000	—	—	—	—	—	—	500,000
" 1905.....	500,000	—	—	—	—	—	—	500,000
" 1904.....	500,000	—	—	—	—	—	—	500,000
" 1903.....	500,000	—	—	—	—	—	—	500,000
" 1902.....	500,000	—	—	—	—	—	—	500,000

SECURITIES OUTSTANDING BY CLASSES AS AT DECEMBER 31, 1911-1939, INCLUSIVE,  
AND AS AT JUNE 30, 1940

[illegible]



*Petitioners' Exhibit No. 49*

## WISCONSIN MICHIGAN POWER COMPANY

MORTGAGE BONDS OUTSTANDING AS AT DECEMBER 31, 1911-1939, INCLUSIVE,  
AND AS AT JUNE 30, 1940

	First Mortgage Bonds 3¾% Series Due 1961	First Mortgage Bonds 4½% Series Due 1957	First Mortgage Bonds 5% Series Due 1961	W. T. L. H. & P. Co. 5% First Mortgage Gold Bonds	W. T. L. H. & P. Co. 7½% First Mortgage Gold Bonds	First Mortgage 6% Serial Gold Bonds	Total Mortgage Bonds Outstanding
June 30, 1940.....	\$12,500,000	\$ —	\$ —	\$ —	\$ —	\$ —	\$12,500,000
Dec. 31, 1939.....	12,500,000	—	—	—	—	—	12,500,000
" 1938.....	12,500,000	—	—	—	—	—	12,500,000
" 1937.....	12,500,000	—	—	—	—	—	12,500,000
" 1936.....	10,500,000	—	—	—	—	—	10,500,000
" 1935.....	—	5,000,000	5,000,000	—	—	—	10,000,000
" 1934.....	—	5,000,000	5,000,000	—	—	—	10,000,000
" 1933.....	—	5,000,000	5,000,000	—	—	—	10,000,000
" 1932.....	—	5,000,000	5,000,000	—	—	—	10,000,000
" 1931.....	—	5,000,000	5,000,000	—	—	—	10,000,000
" 1930.....	—	—	5,000,000	1,500,000	1,500,000	—	8,000,000
" 1929.....	—	—	5,000,000	1,500,000	1,500,000	—	8,000,000
" 1928.....	—	—	5,000,000	1,500,000	1,500,000	—	8,000,000
" 1927.....	—	—	5,000,000	1,500,000	1,500,000	—	8,000,000
" 1926.....	—	—	—	—	—	—	—
" 1925.....	—	—	—	—	—	538,000	538,000
" 1924.....	—	—	—	—	—	604,000	604,000
" 1923.....	—	—	—	—	—	660,000	660,000
" 1922.....	—	—	—	—	—	716,000	716,000
" 1921.....	—	—	—	—	—	772,000	772,000
" 1920.....	—	—	—	—	—	520,000	520,000
" 1919.....	—	—	—	—	—	561,000	561,000
" 1918.....	—	—	—	—	—	524,000	524,000
" 1917.....	—	—	—	—	—	358,500	358,500
" 1916.....	—	—	—	—	—	380,500	380,500
" 1915.....	—	—	—	—	—	375,000	375,000
" 1914.....	—	—	—	—	—	375,000	375,000
" 1913.....	—	—	—	—	—	375,000	375,000
" 1912.....	—	—	—	—	—	—	—
" 1911.....	—	—	—	—	—	—	—

*Petitioners' Exhibit No. 49*

## WISCONSIN MICHIGAN POWER COMPANY

CAPITAL STOCK OUTSTANDING AS AT DECEMBER 31, 1911-1939  
AND AS AT JUNE 30, 1940

	Common Stock	PREFERRED STOCK				Total Capital Stock Outstanding
		4½% Series	6% Series	7% Series	8% Series	
June 30, 1940	\$5,425,000	\$4,000,000	\$ —	\$ —	\$ —	\$9,425,000
Dec. 31, 1939	5,425,000	4,000,000	—	—	—	9,425,000
" 1938	5,225,000	—	3,734,300	—	—	8,959,300
" 1937	5,225,000	—	3,734,300	—	—	8,959,300
" 1936	5,225,000	—	3,734,300	—	—	8,959,300
" 1935	5,225,000	—	3,734,300	—	—	8,959,300
" 1934	5,225,000	—	3,734,300	—	—	8,959,300
" 1933	5,225,000	—	3,734,300	—	—	8,959,300
" 1932	5,225,000	—	3,743,700	—	—	8,968,700
" 1931	5,225,000	—	3,754,400	—	—	8,979,400
" 1930	5,225,000	—	2,948,200	—	—	8,173,200
" 1929	5,225,000	—	2,208,600	—	—	7,433,600
" 1928	5,225,000	—	1,578,400	—	—	6,803,400
" 1927	5,225,000	—	1,275,000	—	—	6,500,000
" 1926	1,200,000	—	1,650,000	—	—	2,850,000
" 1925	1,200,000	—	—	1,650,000	—	2,850,000
" 1924	1,200,000	—	—	1,650,000	—	2,850,000
" 1923	1,200,000	—	—	1,552,700	—	2,752,700
" 1922	1,000,000	—	—	1,287,450	—	2,287,450
" 1921	1,000,000	—	—	1,123,341	—	2,123,341
" 1920	1,000,000	—	—	1,049,000	—	2,049,000
" 1919	925,000	—	—	823,550	—	1,748,550
" 1918	925,000	—	—	585,130	—	1,510,130
" 1917	924,000	—	—	348,730	1,500	1,274,230
" 1916	750,000	—	—	—	390,000	1,140,000
" 1915	750,000	—	—	—	372,550	1,122,550
" 1914	750,000	—	—	—	215,000	965,000
" 1913	750,000	—	—	—	140,000	890,000
" 1912	750,000	—	—	—	100,000	850,000
" 1911	750,000	—	—	—	—	750,000

*Petitioners' Exhibit No. 49*

## WISCONSIN MICHIGAN POWER COMPANY

NOTES OUTSTANDING AS AT DECEMBER 31, 1921-1939, INCLUSIVE  
AND AS AT JUNE 30, 1940

	2½% Unsecured Promissory Notes Due Serially to 1943	3% Unsecured Promissory Notes Due Serially to 1942	Peninsular Power Co. 8% Serial Gold Notes	Miscellaneous	Total Notes Outstanding
June 30, 1940	\$620,000	\$ —	\$ —	\$ —	\$620,000
Dec. 31, 1939	620,000	—	—	—	620,000
" 1938	—	560,000	—	—	560,000
" 1937	—	700,000	—	—	700,000
" 1936	—	—	—	—	—
" 1935	—	—	—	—	—
" 1934	—	—	—	50,000	50,000
" 1933	—	—	—	—	—
" 1932	—	—	—	—	—
" 1931	—	—	—	—	—
" 1930	—	—	50,000	—	50,000
" 1929	—	—	100,000	—	100,000
" 1928	—	—	150,000	—	150,000
" 1927	—	—	200,000	—	200,000
" 1926	—	—	250,000	—	250,000
" 1925	—	—	300,000	—	300,000
" 1924	—	—	300,000	—	300,000
" 1923	—	—	300,000	—	300,000
" 1922	—	—	300,000	—	300,000
" 1921	—	—	300,000	—	300,000

**Petitioners' Exhibit No. 53****UNION ELECTRIC COMPANY OF MISSOURI AND SUBSIDIARIES**

	NET OUTPUT (Millions of kwh.)	OPERATING REVENUE (per kwh. sold cents)	PRODUCTION EXPENSE* (per kwh. sold cents)	OPERATING EXPENSE* (per kwh. sold cents)
1926	1326.83	1.88	.222	.483
1927	1440.19	1.88	.216	.450
1928	1719.83	1.71	.193	.424
1929	1871.80	1.65	.226	.463
1930	1954.42	1.64	.252	.491
1931	1868.19	1.69	.241	.495
1932	1650.41	1.85	.158	.435
1933	1696.60	1.69	.164	.435
1934	1812.64	1.57	.191	.458
1935	2009.57	1.53	.134	.372
1936	2199.21	1.48	.214	.442
1937	2399.58	1.44	.204	.441
1938	2254.29	1.49	.175	.442
1939	2468.42	1.44	.203	.447

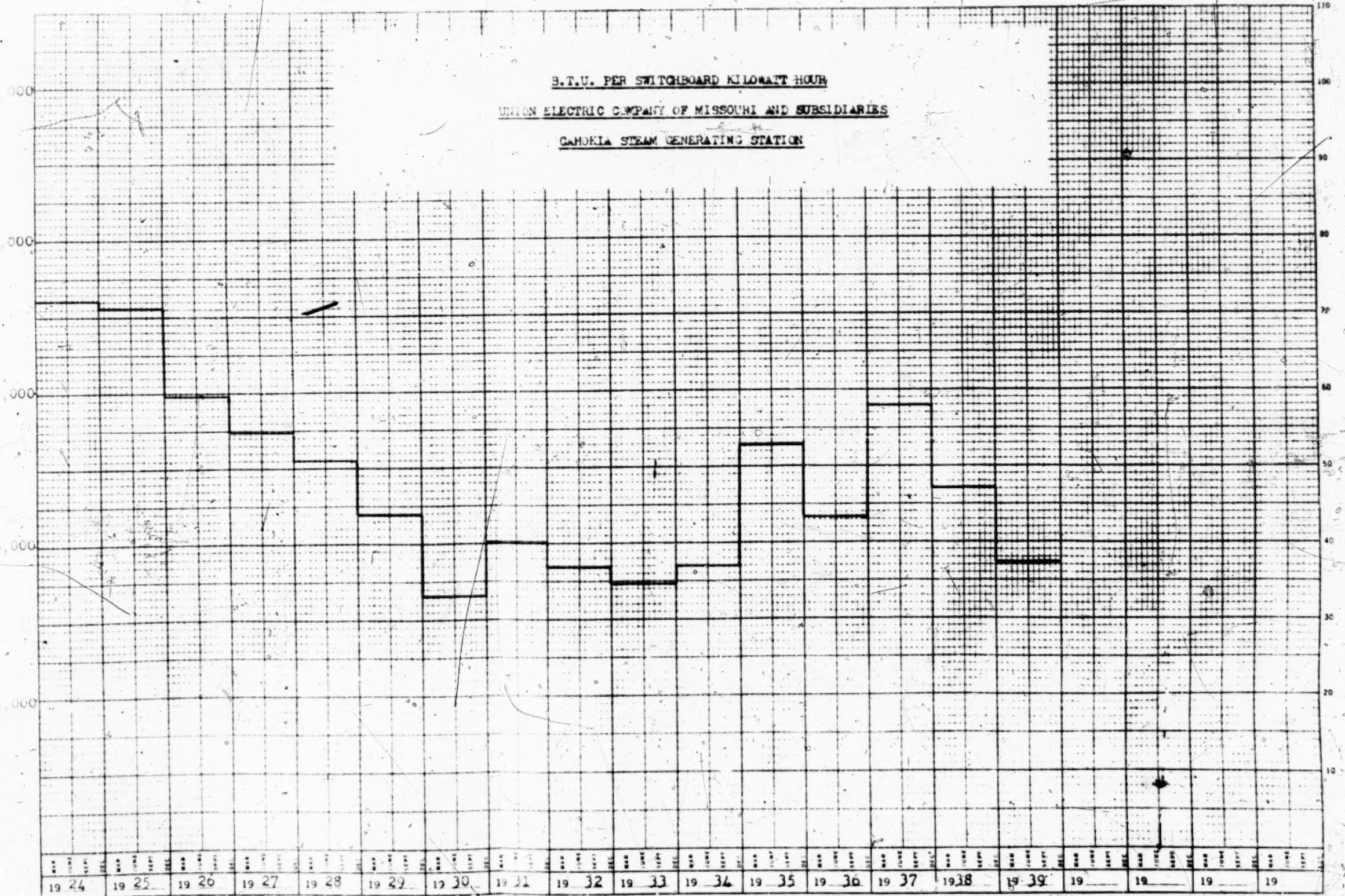
\*Exclusive of taxes and depreciation.



B.T.U. PER SWITCHBOARD KILOWATT HOUR

UNION ELECTRIC COMPANY OF MISSOURI AND SUBSIDIARIES

CAHOKIA STEAM GENERATING STATION



**Petitioners' Exhibit No. 58****UNION ELECTRIC COMPANY OF MISSOURI****RATE REDUCTIONS FROM 1918 TO 1940**

Date Effective	Class of Service—Electric	Amount of Reduction
9/1/19	Wholesale Power .....	\$ 57,000
9/1/19	Industrial Power .....	54,000
10/31/19	Residential .....	109,500
10/31/19	Standard .....	75,000
10/31/19	Increment Power .....	21,000
11/1/19	Increment Light .....	102,000
5/28/20	Wholesale Power .....	60,000
5/28/20	Industrial Power .....	17,500
9/1/20	Residential .....	227,740
9/1/23	Commercial Lighting .....	313,092
9/1/23	Increment Rates .....	131,792
10/1/25	Industrial Power .....	3,570
6/1/28	Commercial Lighting .....	355,073
6/1/28	Wholesale Power .....	199,324
6/1/28	Industrial Power .....	24,500
6/1/28	Residential .....	24,500
11/30/29	Commercial Lighting .....	18,926
11/30/29	Increment Lighting .....	3,033
11/30/29	Industrial Power .....	2,526
4/27/31	Wholesale Light and Power .....	389,115
1/22/32	Off-Peak Rates .....	5,000
5/1/32	Municipal Light and Power .....	58,439
6/12/32	Off-Peak Rates .....	2,000
1/31/33	Pittsburg Plate Glass Co. ....	20,000
2/1/33	Residential .....	43,680
2/1/33	Commercial Lighting .....	14,065
2/1/33	Increment Lighting .....	8,575
2/1/33	Increment Power .....	4,109
2/1/33	Industrial Power .....	3,799
8/1/33	Street Lighting .....	18,830
11/1/33	Residential .....	1,224,656
11/1/33	Commercial Lighting .....	285,116
5/1/34	Wholesale Power .....	10,463
2/15/35	Optional School Rate .....	26,000
4/1/35	Schools, Churches, etc. ....	58,300
5/1/36	Wholesale—Outlying .....	22,160
7/15/36	Large Light and Power and High Load Factor .....	57,251
7/15/36	Industrial .....	155,169

*Petitioners' Exhibit No. 56*

## SUBSIDIARIES OF UNION ELECTRIC COMPANY OF MISSOURI

## RATE REDUCTIONS FROM 1928 TO 1940

Date Effective	Class of Service—Electric	Amount of Reduction
8/16/28	Residence .....	\$ 92,120
8/16/28	Commercial Lighting and Power .....	17,850
8/16/28	Wholesale .....	65,260
4/27/31	Wholesale .....	9,404
11/1/33	Residence .....	126,182
11/1/33	Commercial .....	78,506
11/1/33	Street Lighting .....	9,728
2/1/35	Optional School .....	5,700
4/1/35	Optional School .....	7,200
5/1/35	Street Lighting .....	8,398
6/20/36	Residence } .....	-212
	Commercial }	
7/15/36	Primary Service .....	42,349
8/1/36	Wholesale .....	446
6/15/37	Residence .....	205
9/1/37	Residence .....	42,729
9/1/37	Commercial .....	125,277
3/1/38	Reserve Power .....	3,249
4/1/38	Commercial Power .....	603
11/15/38	Commercial Lighting .....	324
6/15/39	Large Light and Power .....	5,973
10/15/39	Optional School .....	684
12/1/39	Commercial Lighting .....	6,461
5/1/40	Residence .....	35,690
5/1/40	Optional .....	430
6/23/40	Street Lighting .....	1,586
6/23/40	Municipal Pumping .....	861
6/27/40	Street Lighting .....	9,784
6/27/40	Municipal Pumping .....	587
7/1/40	Residence .....	1,215
7/1/40	Commercial .....	2,114
7/1/40	Large Light and Power .....	697
Total Electric .....		<u>\$701,824</u>

*Petitioners' Exhibit No. 56*

## SUBSIDIARIES OF UNION ELECTRIC COMPANY OF MISSOURI

## RATE REDUCTIONS FROM 1928 TO 1940

Date Effective	Class of Service—Electric	Amount of Reduction
7/15/36	Public Schools .....	\$ 2,545
9/1/36	General Service—Municipal .....	34,541
5/1/37	City Contract .....	10,132
9/1/37	Commercial .....	901,651
11/1/37	Special High Load Factor .....	28,604
1/1/38	Special Large Light and Power .....	42,908
6/15/39	Large Light and Power .....	25,493
6/15/39	Standard } .....	5,948
	General Commercial }	
7/1/39	Street Railways .....	29,688
5/1/40	Rate Zones .....	1,028
6/15/40	Street Lighting .....	18,386
6/15/40	Municipal Pumping .....	5,709
6/15/40	General Municipal .....	643
	Total Electric .....	<u>\$5,314,359</u>



## Petitioners' Exhibit No. 58

## UNION ELECTRIC COMPANY OF MISSOURI

Description of Security	Date of Issue	Amount	Sale Price to Company	Approximate Cost to Company	Date of Redemption or Retirement	Redemption or Retirement Price
Common Stock, \$100 par value.....	May 20, 1902	\$ 700,000.00	(A)	—	September 9, 1903	(B)
5% Non-Cumulative Preferred Stock, \$100 par value...	May 20, 1902	2,000,000.00	(A)	—	September 9, 1903	(B)
Common Stock, \$100 par value.....	May 20, 1902	4,000,000.00	100	—	September 9, 1903	(B)
Imperial Electric Light, Heat and Power Company First Mortgage 5% Bonds due April 1, 1930.....	May 20, 1902	1,000,000.00	(A)	—	September 1, 1902	100
City Lighting Company 5% Bonds.....	May 20, 1902	552,000.00	(A)	—	September 1, 1902	100
First Mortgage 30 Year 5% Bonds due September 1, 1932	Sept. 1, 1902	{ 3,950,000.00 50,000.00	97 100	5.2% 5 %	(C) (C)	(C) (C)
Capital Stock, \$100 par value.....	Sept. 9, 1903	5,850,000.00	(B)	—	January 22, 1917	(D)
Missouri-Edison Electric Company First Mortgage 30 Year 5% Bonds due August 1, 1927.....	Sept. 9, 1903	3,400,000.00	(B)	—	Various to August 1, 1927	(E)
Missouri Electric Light and Power Company Second Mortgage 30 Year 6% Bonds due May 1, 1921.....	Sept. 9, 1903	600,000.00	(B)	—	May 1, 1921	100
Capital Stock, \$100 par value.....	May 27, 1904	35,000.00	100	—	January 22, 1917	(D)
First Mortgage 30 Year 5% Bonds due September 1, 1932	Mar. 31, 1904 to Apr. 30, 1905	202,000.00	100	5 %	(C)	(C)
First Mortgage 30 Year 5% Bonds due September 1, 1932	May 31, 1904 to Apr. 30, 1905	2,000,000.00	93½	5.5%	(C)	(C)
3 Year 5% Collateral Trust Notes due January 15, 1909..	Jan. 15, 1906	3,000,000.00	95	6.9%	January 15, 1909	100
Capital Stock, \$100 par value.....	Dec. 5, 1907	4,000,000.00	100	—	January 22, 1917	(D)
Refunding and Extension Mortgage 5%, 25 Year Bonds due May 1, 1933.....	May 31, 1908	2,500,000.00	82½	6.4%	(F)	(F)
Refunding and Extension Mortgage 5%, 25 Year Bonds due May 1, 1933.....	Dec. 31, 1908	3,000,000.00	85	6.2%	(F)	(F)
Refunding and Extension Mortgage 5%, 25 Year Bonds due May 1, 1933.....	May 31, 1911	500,000.00	93	5.6%	(F)	(F)
Refunding and Extension Mortgage 5%, 25 Year Bonds due May 1, 1933.....	Feb. 29, 1912	379,000.00	93	5.6%	(F)	(F)
Refunding and Extension Mortgage 5%, 25 Year Bonds due May 1, 1933.....	Mar. 31, 1913	692,000.00	92½	5.6%	(F)	(F)
Common Stock, \$100 par value.....	Jan. 22, 1917	9,905,000.00	(D)	—	November 22, 1922	(G)
Common Stock, \$100 par value.....	Jan. 29, 1917	600,000.00	100	—	November 22, 1922	(G)
7% Non-Cumulative Preferred Stock, \$100 par value...	Jan. 29, 1917	1,000,000.00	100	7 %	November 22, 1922	(G)
Refunding and Extension Mortgage 5%, 25 Year Bonds due May 1, 1933.....	Jan. 29, 1917	1,600,000.00	90	5.9%	(F)	(F)
Refunding and Extension Mortgage 5%, 25 Year Bonds due May 1, 1933.....	Feb. 28, 1917	929,000.00	91	5.9%	(F)	(F)
7% Non-Cumulative Preferred Stock, \$100 par value....	Aug. 31, 1917	815,100.00	100	7 %	November 22, 1922	(G)
7% Non-Cumulative Preferred Stock, \$100 par value....	Jan.-Dec. 1918	145,000.00	100	7 %	November 22, 1922	(G)

## Petitioners' Exhibit No. 58

## UNION ELECTRIC COMPANY OF MISSOURI

Description of Security	Date of Issue	Amount	Sale Price to Company	Approximate Cost to Company	Date of Redemption or Retirement	Redemption or Retirement Price
2 Year 6% Bond Secured Notes due March 15, 1920...	Mar. 11, 1918	\$ 1,000,000.00	96.85	7.7%	March 15, 1920	100
2 Year 6% Bond Secured Notes due March 15, 1920...	May 15, 1918	300,000.00	96.76	7.8%	March 15, 1920	100
Common Stock, \$100 par value.....	May 15, 1918	500,000.00	100	—	November 22, 1922	(G)
2 Year 6% Notes due June 1, 1920.....	July 8, 1918	500,000.00	96.37	8.0%	June 1, 1920	100
7% Non-Cumulative Preferred Stock, \$100 par value...	Jan.-Dec. 1919	357,600.00	100	7 %	November 22, 1922	(G)
Common Stock, \$100 par value.....	Aug. 27, 1919	10,200.00	100	—	November 22, 1922	(G)
7% Non-Cumulative Preferred Stock, \$100 par value...	Jan.-Dec. 1920	763,600.00	100	7 %	November 22, 1922	(G)
3 Year 7% Convertible Debentures due April 1, 1923...	Apr. 5, 1920	2,500,000.00	93.38	9.6%	Various to March 1, 1922	(H)
7% Non-Cumulative Preferred Stock, \$100 par value...	Jan.-Dec. 1921	1,324,300.00	100	7 %	November 22, 1922	(G)
Refunding and Extension Mortgage 5%, 25 Year Bonds due May 1, 1933.....	Dec. 1921- Feb. 1922	1,554,000.00	85	6.9%	(F)	(F)
7% Non-Cumulative Preferred Stock, \$100 par value...	Jan.-Nov. 1922	1,594,400.00	100	7 %	November 22, 1922	(G)
Preferred Stock, Issue of 1922, 7% Series, \$100 par value	Nov. 22, 1922	5,563,500.00	(G)	—	January 1, 1939	105
Preferred Stock, Issue of 1922, 7% Series, \$100 par value	Nov. 22, 1922	436,500.00	100	7 %	January 1, 1939	105
Common Stock, without par value.....	Nov. 22, 1922	550,760 shs.	(G)	—		
Common Stock, without par value.....	Nov. 22, 1922	99,240 shs.	\$20 per sh.	—		
Preferred Stock, Issue of 1922, 7% Series, \$100 par value	Feb. 1923 to Feb. 1924	3,000,000.00	100	7.0%	January 1, 1939	105
General Mortgage Bonds, 5%, Series A, due December 1, 1954 .....	Dec. 23, 1924	5,000,000.00	96	5.3%	August 2, 1937	105
Common Stock, without par value.....	Jan. 6, 1926	325,000 shs.	\$20 per sh.	—		
Preferred Stock, Issue of 1922, 6% Series, \$100 par value	Jan. 1926 to June 1927	4,000,000.00	100	6.0%	January 1, 1939	103
General Mortgage Bonds 5%, Series B, due August 1, 1967 .....	Aug. 5, 1927	10,000,000.00	99½	5.0%	Aug. 2, 1937	103¾
Paul Brown Investment Company 5% Mortgage Notes due serially to May 1, 1936.....	Sept. 19, 1927	577,324.76(1)	(J)	—	Various to January 16, 1933	(J)
Common Stock, without par value.....	Dec. 4, 1928	420,000 shs.	\$25 per sh.	—		
General Mortgage Bonds, 5%, Series B, due August 1, 1967 .....	Dec. 30, 1929	15,000,000.00	97	5.2%	August 2, 1937	103¾
Common Stock, without par value.....	Sept. 24, 1930	300,000 shs.	\$25 per sh.	—		
Common Stock, without par value.....	Mar. 11, 1931	300,000 shs.	\$25 per sh.	—		
Common Stock, without par value.....	Aug. 6, 1931	300,000 shs.	\$25 per sh.	—		
General Mortgage Bonds, 5% Series due 1957, due April 1, 1957 .....	July 28, 1932	15,000,000.00	90	5.8%	August 2, 1937	103¾
General Mortgage Bonds, 5% Series due 1957, due April 1, 1957 .....	Oct. 20, 1932	7,500,000.00	95½	5.3%	August 2, 1937	103¾



## Petitioners' Exhibit No. 58

## UNION ELECTRIC COMPANY OF MISSOURI

Description of Security	Date of Issue	Amount	Sale Price to Company	Approximate Cost to Company	Date of Redemption or Retirement	Redemption or Retirement Price
General Mortgage Bonds, 4½% Series due 1957, due May 1, 1957.....	Jan. 27, 1933	\$11,250,000.00	93¾	5.5%	August 2, 1937	103¾
First Mortgage and Collateral Trust Bonds, 3¾% Series due 1962, due July 1, 1962.....	July 1, 1937	80,000,000.00	98	3.9%		
3% Notes due 1942, due July 1, 1942.....	July 1, 1937	15,000,000.00	99½	3.1%		
Notes Payable .....	Nov. 30, 1938	13,000,000.00	100	1.5%	January 4, 1939	100
\$5 Cumulative Preferred Stock, without par value.....	Nov. 30, 1938	130,000 shs.	\$104.69 per sh.	4.8%		

## Summary of Outstanding Securities at July 31, 1940

Common Stock, without par value.....	\$ 52,500,000
\$5 Cumulative Preferred Stock, without par value.....	13,000,000
First Mortgage and Collateral Trust Bonds, 3¾% Series due 1962, due July 1, 1962.....	80,000,000
3% Notes due 1942, due July 1, 1942.....	15,000,000
	<hr/>
	\$160,500,000

## NOTES:

- (A) Issued to stockholders of Imperial Electric Light, Heat and Power Company and Citizens Electric Lighting and Power Company at organization of the Company on May 20, 1902. On that date the Company assumed liability with respect to bonds of Imperial Electric Light, Heat and Power Company and City Lighting Company.
- (B) On September 9, 1903, under a plan of consolidation with Missouri-Edison Electric Company, 58,500 shares of stock of the consolidated company were issued for stocks of the constituent companies. In the consolidation, Company assumed liability with respect to bonds of Missouri-Edison Electric Company and Missouri Electric Light and Power Company.
- (C) \$2,000 principal amount acquired at 97.65 and retired in December 1924; balance retired September 1, 1932 at 100.
- (D) On January 22, 1917, under a plan of consolidation with Perry County Public Utilities Company, 99,050 shares of the consolidated company were issued in exchange for a like number of shares of the constituent companies.
- (E) \$235,500 principal amount acquired and retired at various dates and prices; balance retired August 1, 1927 at 100.

- (F) \$128,000 principal amount acquired and retired at various dates and prices; funds deposited on January 27, 1933 for payment of balance at 100 at any time thereafter.
- (G) In reorganization of 1922, 55,635 shares of 7% Non-Cumulative Preferred Stock were exchanged for a like number of shares of Preferred Stock, Issue of 1922, 7% Series, of the successor company upon payment of \$5 per share, 2,640 shares were called for redemption at 105, and balance of 1,725 shares were retired at par. 110,152 shares of Common Stock, \$100 par value, were exchanged for 550,760 shares of Common Stock, without par value, of the successor company.
- (H) \$1,554,000 principal amount exchanged during period from December 1921 to February 1922 for a like principal amount of Refunding and Extension Mortgage 5% Bonds plus a premium of \$150 per bond, and \$946,000 principal amount was redeemed on March 1, 1922 for cash at 100%.
- (I) Interest included in fact amount of notes.
- (J) Assumed in acquisition of land for Company's office building. \$352,808.26 face amount paid serially from November 1, 1927 to November 1, 1932, \$224,516.48 face amount, of which \$203,648.85 was principal, purchased on January 16, 1933 for \$209,871.41 and retired.

## Petitioners' Exhibit No. 58

## UNION ELECTRIC COMPANY OF ILLINOIS

Description of Security	Date of Issue	Amount	Sale Price to Company	Approximate Cost to Company	Date of Redemption or Retirement	Redemption or Retirement Price
Capital Stock, \$100 par value.....	July 9, 1908	\$ 2,400.00	(A)	—	July 19, 1910	(B)
Capital Stock, \$100 par value.....	July 7, 1909	22,600.00	(A)	—	July 19, 1910	(B)
Capital Stock, \$100 par value.....	July 19, 1910	733,500.00	(C)	—	May 28, 1937	(D)
First Mortgage Five Per Cent. Bonds—due June 1, 1940.	July 19, 1910	145,000.00	(C)	—	(E)	(E)
First Mortgage Five Per Cent. Bonds—due June 1, 1940.	Apr. 4, 1912	93,000.00	95.5	5.3%	(E)	(E)
Capital Stock, \$100 par value.....	Dec. 29, 1913	243,000.00	100	—	May 28, 1937	(D)
First Mortgage Five Per Cent. Bonds—due June 1, 1940.	Dec. 29, 1913	124,000.00	87.5	5.9%	(E)	(E)
First Mortgage Five Per Cent. Bonds—due June 1, 1940.	Dec. 31, 1913	211,000.00	87.5	5.9%	(E)	(E)
First Mortgage Five Per Cent. Bonds—due June 1, 1940.	Dec. 7, 1914	383,000.00	85	6.2%	(E)	(E)
First Mortgage Five Per Cent. Bonds—due June 1, 1940.	May 19, 1915	17,000.00	85	6.2%	(E)	(E)
First Mortgage Five Per Cent. Bonds—due June 1, 1940.	Feb. 1, 1917	119,000.00	92.5	5.6%	(E)	(E)
Capital Stock, \$100 par value.....	Feb. 1, 1917	123,500.00	100	—	May 28, 1937	(D)
First Mortgage Five Per Cent. Bonds—due June 1, 1940.	Sept. 1, 1918	80,000.00	80	6.8%	(E)	(E)
Capital Stock, \$100 par value.....	Sept. 1, 1918	100,000.00	100	—	May 28, 1937	(D)
Capital Stock, \$100 par value.....	Apr. 22, 1927	800,000.00	100	—	May 28, 1937	(D)
First Mortgage Five Per Cent. Bonds—due June 1, 1940.	Apr. 22, 1927	828,000.00	94	5.7%	May 26, 1937	(F)
Capital Stock, \$100 par value.....	Mar. 14, 1928	400,000.00	100	—	May 28, 1937	(D)
First Mortgage Five Per Cent. Bonds—due June 1, 1940.	Apr. 30, 1928	400,000.00	97.5	5.3%	May 26, 1937	(F)
Notes Payable.....	May 26, 1937	2,335,000.00	100	2.0%	July 1, 1937	100
Notes Payable.....	May 28, 1937	14,750,000.00	(G)	—	July 1, 1937	100
Common Stock, \$20 par value.....	May 28, 1937	18,000,000.00	(H)	—		
Preferred Stock, \$100 par value.....	May 28, 1937	8,000,000.00	(H)	—	July 1, 1937	103
Alton Railway and Illuminating Company—Five Per Cent. First Mortgage Twenty Year Bonds—due October 1, 1939 .....	May 28, 1937	250,000.00	(G)	—	October 1, 1939	100
Alton Railway, Gas and Electric Company—Five Per Cent. First Mortgage Forty Year Bonds—due October 1, 1939 .....	May 28, 1937	250,000.00	(G)	—	October 1, 1939	100
First Mortgage Bonds, 3¾% Series due 1962—due July 1, 1962 .....	July 1, 1937	22,000,000.00	98	3.9%		
<b>Summary of Outstanding Securities at July 31, 1940</b>						
Common Stock, \$20 par value.....		\$18,000,000				
First Mortgage Bonds, 3¾% Series due 1962—due July 1, 1962 .....		22,000,000				
		<b>\$40,000,000</b>				

## NOTES:

- (A) Books of the Company opened in February 1910 and in the opening entry 250 shares of Capital Stock, \$100 par value, were offset against property of \$25,000.
- (B) Retired under plan of merger of Citizens Electric Light & Power Company and Southwestern Light & Power Company into this Company.
- (C) Issued under plan of merger of Citizens Electric Light & Power Company and Southwestern Light & Power Company into this Company to security holders of the constituent companies.
- (D) Retired under plan of merger of Union Electric Light and Power Company of Illinois, Power Operating Company, Alton Light & Power Company and Alton Gas Company into this Company.

- (E) \$78,000 principal amount of a total of \$1,172,000 was held by Union Electric Company of Missouri and redeemed on May 26, 1937 by payment to that Company of the cost price of \$73,262.50 or 93.9; remaining \$1,094,000 principal amount redeemed on July 1, 1937 at 105.
- (F) Held by Union Electric Company of Missouri and redeemed by payment to that company of the cost price of \$1,168,320 or 95.1.
- (G) Assumed in merger of May 28, 1937.
- (H) Issued under plan of merger of Union Electric Light and Power Company of Illinois, Power Operating Company, Alton Light & Power Company and Alton Gas Company into this Company to security holders of the constituent companies.

## Petitioners' Exhibit No. 58

## MISSISSIPPI RIVER POWER COMPANY

Description of Security	Date of Issue	Amount	Sale Price to Company	Approximate Cost to Company	Date of Redemption or Retirement	Redemption or Retirement Price
Common Capital Stock, \$100 par value.....	Nov. 11, 1910	\$ 500.00	100	—		
Common Capital Stock, \$100 par value.....	Feb. 20, 1911	15,999,500.00	(A)	—		
6% Preferred Capital Stock, \$100 par value.....	Feb. 20, 1911	4,000,000.00		—		
First Mortgage Five Per Centum Forty Year Bonds, due January 1, 1951.....	Mar. 21, 1911 to Mar. 31, 1913	15,000,000.00		—	(B)	(B)
6% Preferred Capital Stock, \$100 par value.....	Oct. 4, 1912 to Nov. 1, 1912	20,000.00	100	6%		
6% Preferred Capital Stock, \$100 par value.....	Feb. 12, 1913	1,980,000.00	100	6%		
First Mortgage Five Per Centum Forty Year Bonds, due January 1, 1951.....	Apr.-June 1913	3,000,000.00	80	6.4%	(B)	(B)
First Mortgage Five Per Centum Forty Year Bonds, due January 1, 1951.....	July-Sept. 1913	1,500,000.00	76.5	6.7%	(B)	(B)
First Mortgage Five Per Centum Forty Year Bonds, due January 1, 1951.....	Oct. 1913	300,000.00	80	6.4%	(B)	(B)
First Mortgage Five Per Centum Forty Year Bonds, due January 1, 1951.....	July 22, 1914	200,000.00	80	6.4%	(B)	(B)
6% Coupon Debentures, due May 1, 1919 (Extended) ..	July 24, 1914	1,500,000.00	94	7.5% (C)	Various to January 31, 1921	100
First Mortgage Five Per Centum Forty Year Bonds, due January 1, 1951.....	Oct. 27, 1920	648,300.00	70	7.5%	(B)	(B)
7% Coupon Debentures, due November 1, 1935.....	Jan. 26, 1921	3,600,000.00	85	8.9%	Various to May 1, 1927	(D)
6% Preferred Capital Stock, \$100 par value.....	Feb. 10, 1921	2,234,475.00	(E)	—		
5% Debentures, due May 1, 1947.....	May 2, 1927	3,000,000.00	93	5.6%	(F)	(F)
<i>Summary of Outstanding Securities at July 31, 1940</i>						
Common Capital Stock, \$100 par value.....		\$16,000,000				
6% Preferred Capital Stock, \$100 par value.....		8,234,475				
First Mortgage Five Per Centum Forty Year Bonds, due January 1, 1951 .....		15,753,500				
5% Debentures, due May 1, 1947.....		2,817,000				
		<u>\$42,804,975</u>				

## NOTES:-

- (A) Issued in payment for hydroelectric plant and transmission lines, including an undetermined amount of intangibles of the nature of financing and underwriting expenses and costs incidental to providing a market for the power.
- (B) \$4,894,800 principal amount retired at various dates and prices to 105 in accordance with sinking fund requirements.
- (C) Effective rate of interest to May 1, 1919, the date of maturity. During extension period interest was paid as follows:

Period of Extension	Amount of Issue Extended	Rate of Interest
May 1, 1919 to May 1, 1920.....	\$1,500,000	7.46%
May 1, 1920 to November 1, 1920.....	1,200,000	7.46%
November 1, 1920 to January 31, 1921.....	750,000	8.00%
(D) \$1,127,000 retired in accordance with sinking fund requirements at various dates and prices to 103 and balance of \$2,473,000 redeemed on May 1, 1927 at 102.		
(E) Issued in payment of accumulated preferred dividend of 37½% to January 1, 1921.		
(F) \$183,000 principal amount retired at various dates and prices to 100 in accordance with purchase fund requirements.		



## Petitioners' Exhibit No. 58

## IOWA UNION ELECTRIC COMPANY

Description of Security	Date of Issue	Amount	Sale Price to Company	Approximate Cost to Company	Date of Redemption or Retirement	Redemption or Retirement Price
Capital Stock, \$100 par value.....	Dec. 5, 1911	\$375,000.00	100	—	December 15, 1913	(A)
Keokuk Gas Light and Coke Company 5% Bonds due January 15, 1918.....	Dec. 6, 1911	150,000.00	(B)	—	January 15, 1918	100
Keokuk Electric Railway and Power Company 5% Bonds due serially to July 1, 1925.....	Dec. 6, 1911	206,000.00	(B)	—	Various to July 1, 1925	100
Hamilton Light and Power Company 6% Bonds due March 1, 1922.....	Dec. 6, 1911	4,500.00	(B)	—	Jan.-Feb. 1917	100
Capital Stock, \$100 par value.....	Nov. 5, 1912	275,000.00	100	—	December 15, 1913	(A)
Capital Stock, \$100 par value.....	Dec. 15, 1913	215,000.00	100	—	December 15, 1913	(A)
6% Preferred Capital Stock, \$100 par value.....	Dec. 15, 1913	250,000.00	(A)	6.0%	June 30, 1938	110
Common Capital Stock, \$100 par value.....	Dec. 15, 1913	615,000.00	(A)	—	November 9, 1928	(C)
Common Capital Stock, \$100 par value.....	May 12, 1915	35,000.00	100	—	November 9, 1928	(C)
First and Refunding Mortgage 6% Bonds, due Jan. 15, 1923 .....	Jan. 15, 1918	150,000.00	97	6.7%	January 15, 1923	100
First and Refunding Mortgage 6% Bonds, due Jan. 15, 1923 .....	Dec. 17, 1920	238,000.00	90.95	11.2%	January 15, 1923	100
2½ Year 6% Mortgage Notes, due July 1, 1925.....	Jan. 11, 1923	277,000.00	95.5	8.0%	July 1, 1925	100
		423,000.00	96	7.9%	July 1, 1925	100
First Mortgage 6% Bonds, Series A, due May 1, 1945..	May 29, 1925	700,000.00	92.5	6.7%		
Common Capital Stock, without par value.....	Nov. 9, 1928	450,000.00	(C)	—		
Common Capital Stock, without par value.....	Dec. 27, 1937	549,315.00	\$45/sh.	—		

## Summary of Outstanding Securities at July 31, 1940

Common Capital Stock, without par value.....	\$ 999,315
First Mortgage 6% Bonds, Series A, due May 15, 1945.....	700,000
	<hr/>
	\$1,699,315

## NOTES:

- (A) On December 15, 1913, 2,150 shares of Capital Stock, \$100 par value, were issued making a total of 8,650 shares issued and outstanding. On the same date the Capital Stock was converted into 2,500 shares of Preferred Capital Stock, \$100 par value, and 6,150 shares of Common Capital Stock, \$100 par value.
- (B) Keokuk Gas Light and Coke Company 5% Bonds were assumed by the Company at part purchase price of property of that company. Bonds of Hamilton Light and Power Company and Keokuk Electric Railway and Power Company constituted a prior lien on certain property acquired from those companies. They were not assumed but were paid by the Company.
- (C) On November 9, 1928, the Common Capital Stock was changed from 6,500 shares, \$100 par value, to 10,000 shares without par value but with a stated value of \$45 per share.



## Petitioners' Exhibit No. 59

## UNION ELECTRIC COMPANY OF MISSOURI

## EARNINGS AVAILABLE FOR COMMON DIVIDENDS AND INVESTMENT

## INVESTMENT REQUIREMENTS

Year	Earnings for Dividends	Preferred Dividends	Balance for Common Dividends	Appropriations for Depreciation Reserve	Total	Gross Additions to Property	Investments in Securities of Subsidiaries at December 31, 1939 by Year of Acquisition	Total
1903	\$ 180,366.05	\$ —	\$ 180,366.05	\$ —	\$ 180,366.05	\$ 1,996,070.28	\$ —	\$ 1,996,070.28
1904	315,208.56	—	315,208.56	—	315,208.56	890,605.78	—	890,605.78
1905	335,502.69	—	335,502.69	—	335,502.69	3,696,798.92	—	3,696,798.92
1906	334,683.55	—	334,683.55	—	334,683.55	1,897,723.43	—	1,897,723.43
1907	494,951.92	—	494,951.92	176,780.77	671,732.69	5,412,775.45	—	5,412,775.45
1908	656,642.49	—	656,642.49	361,552.97	1,018,195.46	660,599.09	—	660,599.09
1909	748,376.13	—	748,376.13	406,894.47	1,155,270.60	664,609.31	—	664,609.31
1910	780,967.99	—	780,967.99	539,553.42	1,320,521.41	964,815.68	—	964,815.68
1911	796,237.97	—	796,237.97	576,882.59	1,373,120.56	1,268,788.45	—	1,268,788.45
1912	877,247.54	—	877,247.54	579,357.79	1,456,605.33	435,455.20	—	435,455.20
1913	696,965.16	—	696,965.16	598,700.32	1,295,665.48	1,174,460.16	—	1,174,460.16
1914	630,872.53	—	630,872.53	408,350.10	1,039,222.63	660,242.11	—	660,242.11
1915	521,864.08	—	521,864.08	306,833.84	828,697.92	375,921.93	—	375,921.93
1916	593,708.11	—	593,708.11	308,504.01	902,212.12	1,243,280.58	—	1,243,280.58
1917	612,993.40	84,073.50	528,919.90	314,679.11	843,599.01	3,537,052.58	—	3,537,052.58
1918	550,016.69	135,353.75	414,662.94	406,560.95	821,223.89	1,283,609.70	—	1,283,609.70
1919	1,135,334.35	143,781.75	991,552.60	669,771.83	1,661,324.43	1,540,707.04	—	1,540,707.04
1920	1,342,581.19	196,463.44	1,146,117.75	999,842.04	2,145,959.79	2,716,069.82	—	2,716,069.82
1921	1,987,486.16	265,574.75	1,721,911.41	1,133,130.34	2,855,041.75	1,663,192.95	—	1,663,192.95
1922	2,560,501.79	411,032.70	2,149,469.09	1,381,755.62	3,531,224.71	1,713,755.24	—	1,713,755.24
1923	3,839,591.72	606,048.60	3,233,543.12	1,498,282.67	4,731,825.79	2,143,170.76	1,532,242.00	3,675,412.76
1924	3,158,427.73	625,773.05	2,532,654.68	1,573,574.37	4,106,229.05	4,163,069.19	—75,000.00	4,088,069.19
1925	3,098,451.89	630,000.00	2,468,451.89	*1,654,332.68	4,122,784.57	4,118,090.00	—	4,118,090.00
1926	4,287,337.14	866,427.00	3,420,910.14	1,599,611.72	5,020,521.86	6,893,307.13	12,615,022.78	19,508,329.91
1927	5,214,479.18	869,985.00	4,344,494.18	1,604,796.18	5,949,290.36	5,843,640.52	139,248.16	5,982,888.68
1928	5,790,772.81	870,000.00	4,920,772.81	1,536,527.25	6,457,300.06	3,925,850.17	13,615,420.06	17,541,270.23
1929	6,896,941.36	870,000.00	6,026,941.36	1,546,307.41	7,573,248.77	8,817,931.70	54,104.81	8,872,036.51
1930	7,951,098.19	870,000.00	7,081,098.19	1,472,279.83	8,553,378.02	23,737,059.88	1,914.80	23,738,974.68
1931	8,797,920.98	870,000.00	7,927,920.98	1,561,463.94	9,489,384.92	15,676,985.28	7,535,530.00	23,212,515.28
1932	6,429,293.87	870,000.00	5,559,293.87	1,924,126.60	7,483,420.47	10,478,466.77	—166,451.07	10,312,015.70
1933	5,776,947.85	870,000.00	4,906,947.85	1,944,258.16	6,851,206.01	1,720,891.75	12,317,713.42	14,038,605.17
1934	4,485,381.31	870,000.00	3,615,381.31	1,944,300.00	5,559,681.31	997,933.76	—25,189.23	972,744.53
1935	6,795,931.88	868,488.25	5,927,443.63	1,969,000.00	7,896,443.63	2,391,408.91	—319,786.51	2,071,622.40
1936	6,867,055.15	869,973.50	5,997,081.65	2,021,000.00	8,018,081.65	3,234,624.43	—82,879.51	3,201,744.92
1937	8,297,404.94	869,967.00	7,427,437.94	2,141,311.00	9,568,748.94	4,560,199.38	19,557,686.20	24,117,885.58
1938	6,390,114.75	869,967.00	5,520,147.75	2,201,291.00	7,721,438.75	4,193,233.11	—2,230.22	4,191,002.89
1939	6,925,940.12	731,250.00	6,194,690.12	2,257,398.00	8,452,088.12	3,659,419.19	—5,466.25	3,653,952.94
	\$117,155,599.22	\$15,134,159.29	\$102,021,439.93	\$39,619,010.98	\$141,640,450.91	\$140,351,815.63	\$66,741,879.44*	\$207,093,695.07

\*This amount has been written down by a net amount of \$4,319,881.75.

*Petitioners' Exhibit No. 59*

## UNION ELECTRIC COMPANY OF MISSOURI

	Gross Income (1)	Interest on Funded Debt	Times Interest Earned
1904	\$ 613,307	\$ 442,797	1.39
1905	628,865	509,867	1.23
1906	848,620	657,214	1.29
1907	1,280,621	663,200	1.93
1908	1,489,494	740,225	2.01
1909	1,605,158	856,781	1.87
1910	1,625,572	844,604	1.92
1911	1,650,806	854,568	1.93
1912	1,739,557	862,309	2.02
1913	1,583,405	886,439	1.79
1914	1,534,783	903,911	1.70
1915	1,423,182	901,318	1.58
1916	1,480,071	886,363	1.67
1917	1,652,600	1,039,607	1.59
1918	1,689,261	1,051,308	1.61
1919	2,264,314	1,091,323	2.07
1920	2,504,724	1,141,065	2.20
1921	3,254,261	1,135,419	2.87
1922	3,710,355	1,042,342	3.56
1923	4,934,582	1,025,975	4.81
1924	4,289,377	1,029,810	4.17
1925	4,434,216	1,268,971	3.49
1926	5,608,429	1,268,450	4.42
1927	6,681,549	1,411,495	4.73
1928	7,697,074	1,631,157	5.72
1929	9,093,021	1,631,062	5.57
1930	10,234,473	2,376,689	4.31
1931	10,670,061	2,374,284	4.49
1932	10,212,443	2,662,779	3.84
1933	9,619,270	3,276,311	2.94
1934	8,042,537	3,128,100	2.57
1935	10,296,416	3,128,100	3.29
1936	10,362,283	3,128,100	3.31
1937	12,103,332	3,289,050	3.68
1938	10,388,011	3,450,000	3.01
1939	10,965,212	3,450,000	3.18

(1) After depreciation and taxes.

*Petitioners' Exhibit No. 59*

## UNION ELECTRIC COMPANY OF MISSOURI

	Property and Plant Account at Beginning of Year	Operating Revenues	Property and Plant per Dollar of Revenue
1904	\$ 13,583,355	\$ 1,549,983	\$8.76
1905	14,419,922	1,660,488	8.68
1906	17,900,498	2,073,714	8.63
1907	19,719,115	2,685,419	7.34
1908	24,697,065	3,286,214	7.52
1909	24,926,871	3,339,501	7.46
1910	25,218,284	3,721,066	6.78
1911	25,646,874	3,971,936	6.46
1912	26,399,737	4,063,512	6.50
1913	26,666,234	4,238,343	6.29
1914	27,761,981	4,353,817	6.38
1915	27,891,884	4,329,943	6.44
1916	27,955,383	4,656,611	6.00
1917	28,156,202	5,941,551	4.74
1918	33,440,861	6,599,666	5.07
1919	33,992,442	8,153,408	4.17
1920	35,113,910	9,882,232	3.55
1921	37,380,866	10,695,424	3.50
1922	38,526,293	11,960,028	3.22
1923	39,631,996	13,861,102	2.86
1924	41,186,053	15,056,814	2.74
1925	45,008,913	15,915,023	2.83
1926	48,154,210	17,434,897	2.76
1927	54,266,561	18,573,813	2.92
1928	58,883,619	19,588,536	3.01
1929	61,297,978	20,962,579	2.92
1930	68,528,620	22,348,328	3.07
1931	89,556,395	21,914,822	4.09
1932	103,707,617	20,472,937	5.07
1933	113,310,780	19,185,667	5.91
1934	114,619,873	18,908,994	6.06
1935	114,943,521	20,035,401	5.74
1936	116,568,938	21,798,310	5.35
1937	118,689,665	23,101,716	5.14
1938	121,252,214	22,273,977	5.44
1939	123,891,152	23,685,254	5.23

*Petitioners' Exhibit No. 59*

## UNION ELECTRIC COMPANY OF MISSOURI AND SUBSIDIARIES

(System as now constituted)

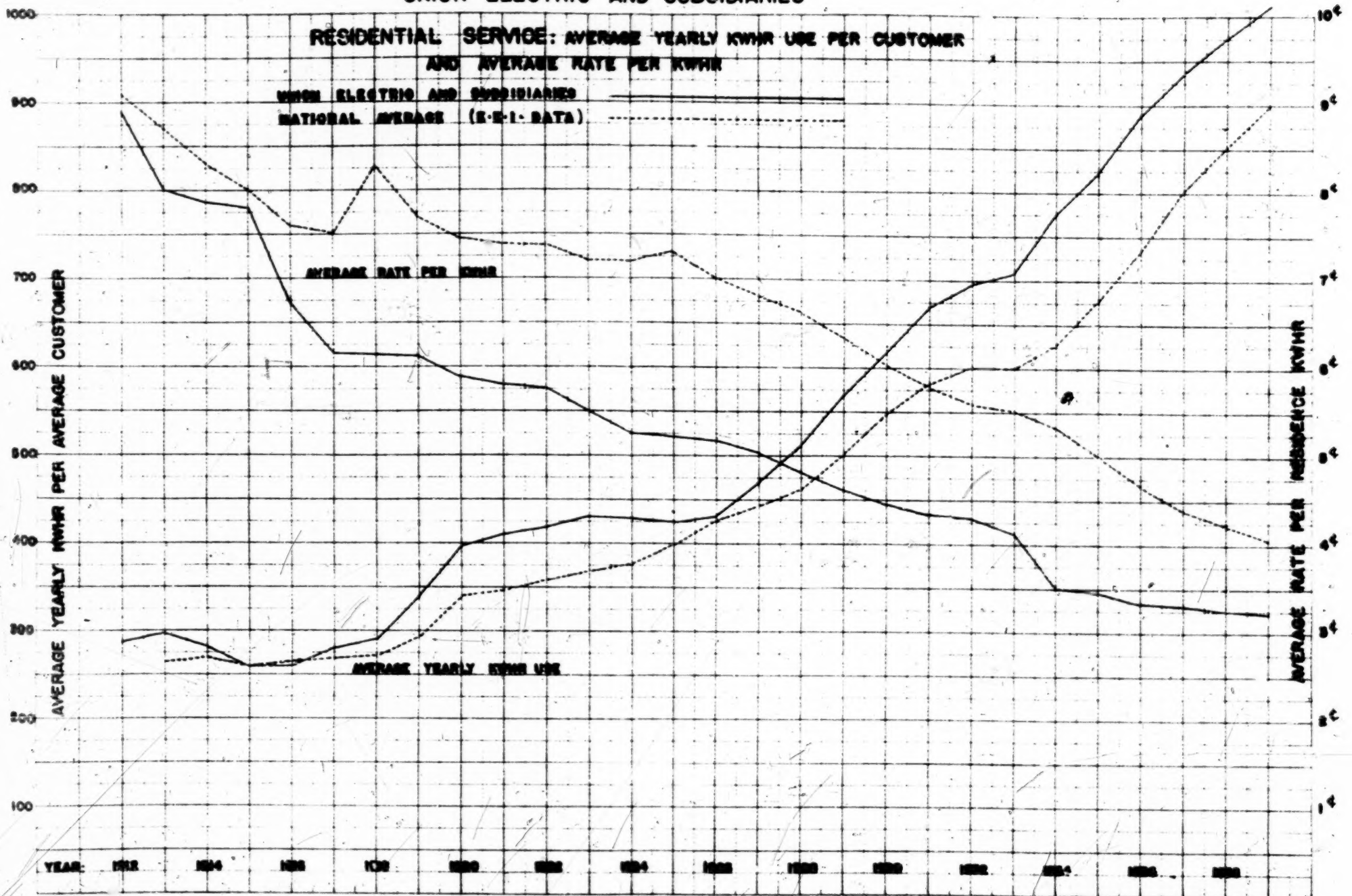
	Property and Plant Account at Beginning of Year	Operating Revenues	Property and Plant per Dollar of Revenue
1929	\$167,938,309	\$31,198,805	\$5.38
1930	176,925,293	32,277,895	5.48
1931	203,174,406	31,030,498	6.55
1932	220,420,948	28,026,997	7.86
1933	221,976,736	26,527,682	8.37
1934	222,663,856	26,635,519	8.36
1935	221,356,053	27,993,991	7.91
1936	220,258,958	30,086,007	7.32
1937	222,308,997	31,784,604	6.99
1938	230,028,887	30,172,675	7.62
1939	233,296,692	32,531,076	7.17



# UNION ELECTRIC AND SUBSIDIARIES

## RESIDENTIAL SERVICE: AVERAGE YEARLY KWHR USE PER CUSTOMER AND AVERAGE RATE PER KWHR

UNION ELECTRIC AND SUBSIDIARIES  
NATIONAL AVERAGE (E-E-I DATA)



**Petitioners' Exhibit No. 124****THE NORTH AMERICAN COMPANY****CONTENTS**

**SHEET A—Statistics On Certain Characteristics—1939.**

**B—Percentage Relationship of Certain Characteristics to State Totals—1939.**

**C—Comparison With Certain Other Systems—1939.**

**D—Graph—Comparison With Certain Other Systems—1939.**

**E—Comparison of Average Residential Monthly Bills As of January 1, 1940 With Average Bills of All Electric Utilities, Privately Owned and Municipal, in Same States.**

**F—Comparison of Operating Expenses Other Than Production—1938.**

**G—Charts—**

**1—Average Revenue per Kilowatt-Hour, Total Sales, Compared With United States Average—1929-1940.**

**2—Average Revenue per Kilowatt-Hour, Residential Sales, Compared With United States Average, 1929-1940.**

**3—Trend of Operating Expenses, Including Production, per Kilowatt-Hour Sold, 1926-1940.**

**H—Comparison of Depreciation Appropriations and Reserves—1938-1939.**

**I—Relative Size Compared with Certain Other Enterprises in the United States—1939.**

**APRIL 5, 1941**

## Petitioners' Exhibit No. 124

Sheet A

## THE NORTH AMERICAN COMPANY

UNION ELECTRIC, WISCONSIN-MICHIGAN AND CLEVELAND SYSTEMS  
STATISTICS ON CERTAIN CHARACTERISTICS

(Data are as of December 31, 1939 or for year 1939)

	Electric Service Area (Sq. Miles)	Number of Com- munities Served Electrically	Population Served Electrically	Number of Electric Customers (Average)	Electric Generating Capacity KW	Electric System Peak Load KW	Total KWH Sold (000)	Total Electric Operating Revenue	Total Utility Operating Revenue	Electric Plant Investment	Total Utility Plant Investment	Total Assets
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
UNION ELECTRIC SYSTEM (a)												
In Missouri .....	2,600	93	1,337,000	297,503	244,000	(d)	1,309,534	\$23,633,599	\$26,556,895	\$124,617,244	\$135,363,416	(d)
In Illinois .....	500	24	177,000	38,256	340,000	(d)	571,359	5,647,684	5,973,543	100,266,655 (e)	103,596,676 (e)	(d)
In Iowa .....	100	10	36,000	11,228	108,000	(d)	259,616	1,555,228	1,613,329			(d)
TOTAL UNION ELECTRIC SYSTEM .....	3,200	127	1,550,000	346,987	692,000	476,000	2,140,509	\$30,836,511	\$34,143,767	\$224,883,899	\$238,960,092	\$266,607,480
WISCONSIN-MICHIGAN SYSTEM												
In Wisconsin .....	6,600	328	1,210,000	339,593	518,000	(d)	1,173,005	\$24,647,704	\$39,520,595	\$146,154,228	\$216,029,152	\$246,676,553
In Michigan .....	5,800	60	66,000	9,967	27,000	(d)	40,745	844,756	844,756	(b)	(b)	(b)
TOTAL WISCONSIN- MICHIGAN SYSTEM ....	12,400	388	1,276,000	349,560	545,000	357,000	1,213,750	\$25,492,460	\$40,375,351	\$146,154,228	\$216,029,152	\$246,676,553
CLEVELAND ELECTRIC ILLU- MINATING COMPANY SYSTEM												
In Ohio .....	1,700	133	1,300,000	328,874	524,000	436,000	1,599,352	\$28,270,276	\$29,629,464	\$136,630,036	\$143,514,639	\$158,837,423
ABOVE SYSTEMS COMBINED												
In the six states .....	17,300	648	4,126,000	1,025,421	1,761,000	1,269,000 (c)	4,953,611	\$84,599,247	\$103,455,340	\$507,668,163	\$598,503,883	\$672,121,456

a—Union Electric Company of Missouri and subsidiaries, plus St. Louis County Gas Company.

b—Included in Wisconsin figures.

c—Undiversified as between systems.

d—Not segregated by states.

e—Mississippi River Power Co. has small amount of Transmission Investment in Missouri included in the figure shown.

## Petitioners' Exhibit No. 124

Sheet B

## THE NORTH AMERICAN COMPANY

UNION ELECTRIC, WISCONSIN-MICHIGAN AND CLEVELAND SYSTEMS  
PERCENTAGE RELATIONSHIP OF CERTAIN CHARACTERISTICS TO STATE TOTALS

(Data are as of Dec. 31, 1939 or for year 1939, except as noted)

	Electric Service Area	Population Served Electrically	Electric Customers (Average)	Electric Generating Capacity	Total KWH Sold	Total Electric Operating Revenue	Total Utility Operating Revenue (b)	Total Utility Plant Investment (b)
	(1)	(2)	(3)	(4)	(5)	(6)	(7) %	(8)
<b>UNION ELECTRIC SYSTEM (a)</b>								
In Missouri .....	3.8%	36.8%	38.2%	31.7%	52.0%	42.5%	42.0%	38.2%
In Illinois .....	0.9	2.3	1.9	13.6	7.6	3.3	2.9	(
In Iowa .....	0.2	1.5	2.0	15.6	20.6	4.4	4.1	( 8.9
<b>TOTAL UNION ELECTRIC SYSTEM.....</b>	<b>1.8</b>	<b>11.3</b>	<b>10.2</b>	<b>17.5</b>	<b>19.0</b>	<b>11.6</b>	<b>11.0</b>	<b>15.6</b>
<b>WISCONSIN-MICHIGAN SYSTEM</b>								
In Wisconsin .....	11.9	41.2	44.2	52.0	52.8	45.0	56.0	—
In Michigan .....	10.1	1.4	0.7	1.4	0.9	0.8	0.9	—
<b>TOTAL WISCONSIN-MICHIGAN SYSTEM .....</b>	<b>9.7</b>	<b>16.4</b>	<b>16.2</b>	<b>18.9</b>	<b>17.5</b>	<b>16.0</b>	<b>24.0</b>	<b>22.8</b>
<b>CLEVELAND ELECTRIC ILLUMINATING COMPANY SYSTEM</b>								
In Ohio .....	4.2	19.6	18.2	21.6	22.9	20.0	20.6	19.8
<b>ABOVE SYSTEMS COMBINED</b>								
In the six states .....	5.2	14.6	13.9	19.1	19.7	15.1	16.6	18.5

a—Union Electric Company of Missouri and subsidiaries plus St. Louis County Gas Company.

b—State totals are for all Class A and B Electric Utilities, i.e. those with annual electric revenues \$250,000 and above. State totals are for 1938; System data are for 1939.



## Petitioners' Exhibit No. 124

Sheet C

## THE NORTH AMERICAN COMPANY

UNION ELECTRIC, WISCONSIN-MICHIGAN AND CLEVELAND SYSTEMS  
COMPARISON WITH CERTAIN OTHER SYSTEMS

(Data are as of December 31, 1939, or for year 1939)

	Electric Service Area (Sq. Miles)	No. of Communities Served Electrically	Population Served Electrically	Electric Customers (Average)	Electric Generating Capacity KW	Electric System Peak Load KW	Total KWH Sold (000)	Total Electric Revenue	Total Utility Revenue	Electric Plant Investment	Total Utility Plant Investment	Total Assets
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
<b>THE NORTH AMERICAN COMPANY</b>												
Union Electric System (a) .....	3,200	127	1,550,000	349,366	692,000	476,000	2,140,509	\$30,836,511	\$ 34,143,767	\$224,883,899	\$ 238,960,092	\$ 266,607,480
Wisconsin-Michigan System .....	12,400	388 <sup>c</sup>	1,276,000	349,560	545,000	357,000	1,213,750	25,492,460	39,682,109	146,154,228	216,029,152	246,676,553
Cleveland Electric Illuminating System..	1,700	133	1,300,000	328,874	524,000	436,000	1,599,352	28,270,276	29,629,464	136,630,036	143,514,639	158,837,423
Combined Systems .....	17,300	648	4,126,000	1,025,421	1,761,000	1,269,000(b)	4,953,611	\$84,599,247	\$103,455,340	\$507,668,163	\$598,503,883	\$ 672,121,456
<b>OTHER SYSTEMS</b>												
American Gas & Electric Co.—Central System .....	28,100	1,445	2,721,000	631,975	1,082,666	909,320	4,209,209	\$68,370,395	\$ 68,370,395	\$369,663,458(c)	\$ 369,663,458	\$ 415,238,376
Niagara Hudson Power Corp. ....	(d)	630	2,750,000	725,855	1,725,688	1,316,000	6,643,606	73,638,878	85,413,678	430,573,000	543,733,450	621,607,681
United Gas Improvement Co.—Philadel- phia Area (f) .....	2,400	(d)	3,000,000	774,622	1,188,860	907,000	4,035,881	68,552,056	80,456,034	342,832,000	431,333,433	486,970,466
Consolidated Edison Co. of N. Y. Inc. System .....	538	47	7,900,000	2,409,492	2,566,300	1,660,000	6,409,795	199,256,708	251,171,407	908,144,583	1,233,397,236	1,353,464,465
Commonwealth Edison Co. System .....	11,000	539	5,000,000	1,368,163	1,996,590	1,535,000	6,684,807	130,178,162	145,873,845	574,537,188(e)	681,122,806	841,424,013
Public Service Electric & Gas Co. (N. J.)	(d)	223	3,192,240	960,506	737,700	700,800	2,495,780	77,018,387	104,670,052	323,743,598	474,632,182	528,970,410
Southern California Edison Co. Ltd. ....	12,000	225	2,600,000	537,367	1,096,170	684,500	2,963,270	45,785,984	45,785,984	343,918,029	353,943,288	400,316,867
American Waterworks & Electric Co. Inc.	27,800	1,295	2,160,000	406,314	627,800	473,097	2,110,057	36,556,960	40,321,335	(d)	254,510,716	281,817,573
New England Power Assn. (Consolidated)*	(d)	(d)	1,757,600	527,784	711,014	587,900	2,081,542	46,527,324	55,436,338	246,984,041	372,751,194	415,681,484
<b>PERCENTAGE RELATIONSHIP OF ABOVE TNACO. SYSTEMS COMBINED TO LARGEST OTHER SYSTEM SHOWN .....</b>												
	61.5%	45.0%	52.1%	42.6%	68.8%	76.5%	74.2%	42.5%	41.2%	55.8%	48.5%	49.6%

a—Union Electric Company of Missouri and subsidiaries, plus St. Louis County Gas Company.

b—Undiversified.

c—Taken as Total Utility Plant.

d—Published data not available.

e—Also includes unclassified utility plant of Western United Gas &amp; Electric Company.

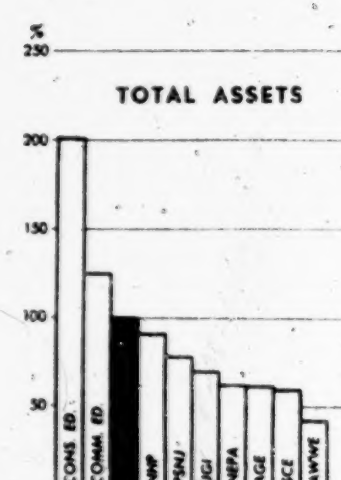
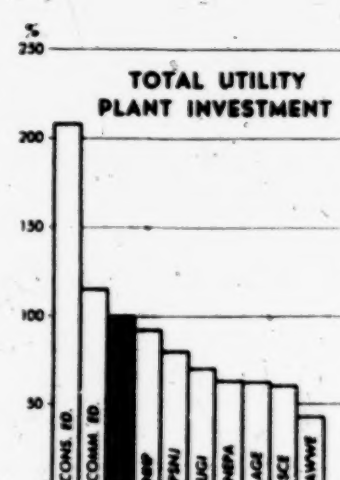
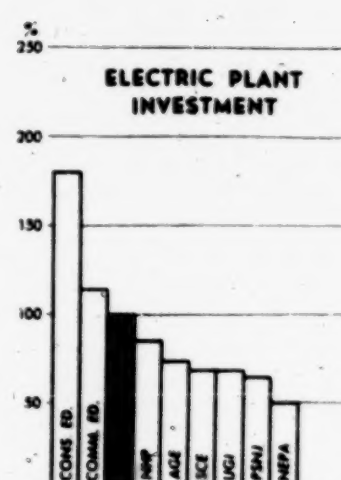
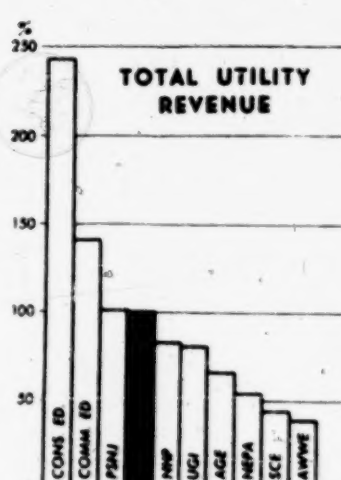
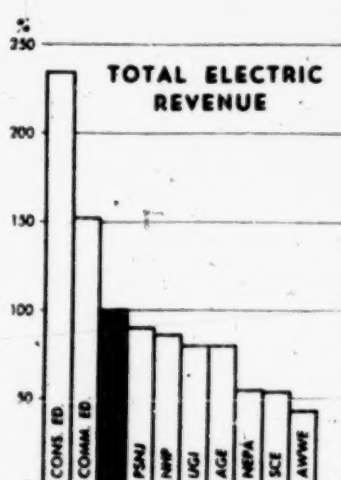
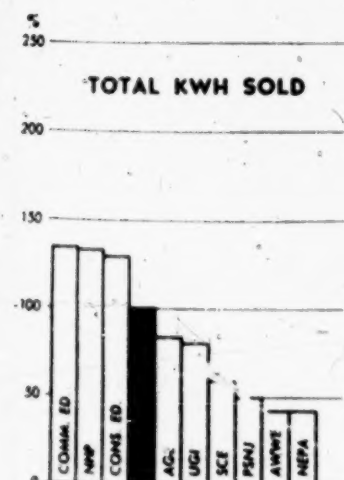
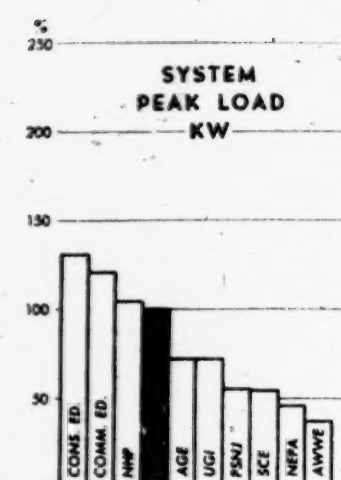
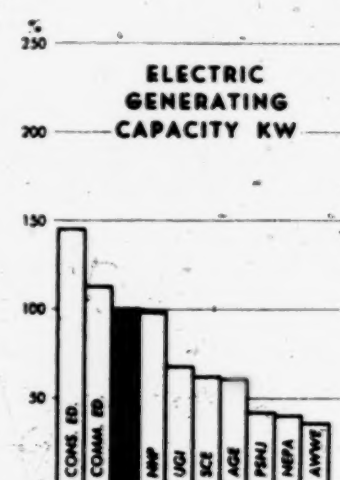
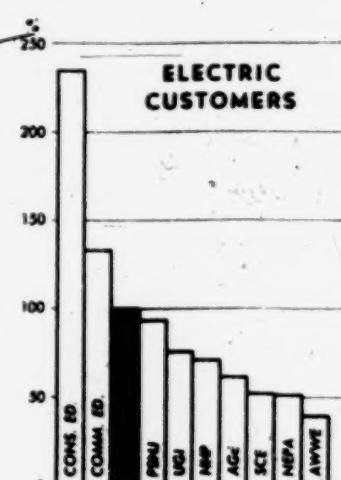
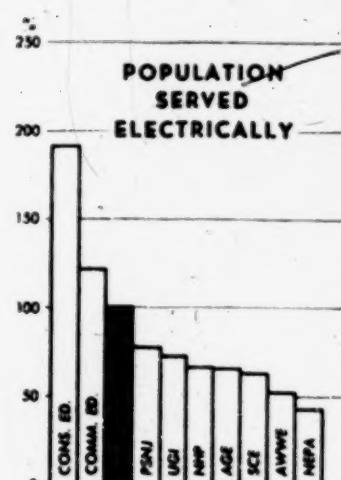
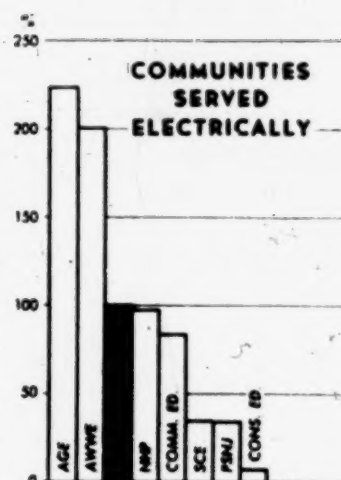
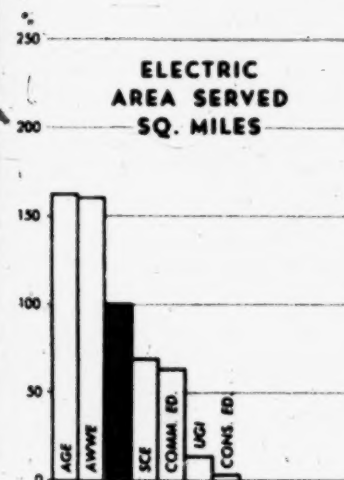
f—Includes Philadelphia Electric Company and subsidiaries; Delaware Electric Power Company and subsidiaries; Chester County Light &amp; Power Company; and Consumers Gas Company.

# THE NORTH AMERICAN COMPANY

## UNION ELECTRIC, WISCONSIN-MICHIGAN AND CLEVELAND SYSTEMS

### COMPARISON WITH CERTAIN OTHER SYSTEMS

(Data are for year 1939 or as of December 31, 1939.  
In all cases plotted relative to Combined Union Electric, Wisconsin-Michigan  
and Cleveland Systems = 100)



THE NORTH AMERICAN COMPANY

■ - Combined Systems

### OTHER SYSTEMS

AGE - American Gas and Electric Co. - Central System  
AWW - American Water Works and Electric Co., Inc.  
COMM. ED. - Commonwealth Edison Co. System  
CONS. ED. - Consolidated Edison Co. of N.Y., Inc. System

NHP - Niagara Hudson Power Corporation  
PSNJ - Public Service Electric Gas Co. (N.J.)  
SCE - Southern California Edison Co., Ltd.  
UGI - United Gas Improvement Co., Inc.

## Petitioners' Exhibit No. 124

## THE NORTH AMERICAN COMPANY

## UNION ELECTRIC, WISCONSIN-MICHIGAN AND CLEVELAND SYSTEMS

## COMPARISON OF AVERAGE RESIDENTIAL MONTHLY BILLS AS OF JANUARY 1, 1940 WITH AVERAGE BILLS OF ALL ELECTRIC UTILITIES, PRIVATELY OWNED AND MUNICIPAL, IN SAME STATE (a)

	POPULATION SIZE—GROUP											
	All Communities			50,000 and More			10,000 to 50,000			2,500 to 10,000		
	25 KWH	100 KWH	250 KWH	25 KWH	100 KWH	250 KWH	25 KWH	100 KWH	250 KWH	25 KWH	100 KWH	250 KWH
UNION ELECTRIC SYSTEM												
MISSOURI												
State Average, excluding TNACo. Properties (b)	\$1.58	\$4.19	\$7.85	\$1.30	\$3.68	\$7.38	\$1.47	\$3.90	\$7.57	\$1.66	\$4.35	\$7.80
Union Electric System.....	1.21	3.17	6.30	1.19	3.13	6.22	1.19	3.13	6.22	1.31	3.46	6.92
WISCONSIN-MICHIGAN SYSTEM												
WISCONSIN												
State Average, Excluding TNACo. Properties...	1.74	4.17	7.31	1.10	2.60	5.10	1.71	4.19	7.41	1.68	3.99	7.02
TNACo. Present Properties (f).....	1.46	3.51	6.38	1.43	3.42	6.30	1.48	3.63	6.51	1.52	3.77	6.64
CLEVELAND ELECTRIC ILLUMINATING SYSTEM												
OHIO												
State Average, Excluding TNACo. Properties...	1.25	3.68	7.03	1.14	3.35	6.34	1.33	3.86	7.53	1.28	3.96	7.60
TNACo. Present Properties.....	1.00	3.75(c)	7.25(d)	1.00	3.75(c)	7.25(d)	1.00	3.75(c)	7.25(d)	1.00	3.75(c)	7.25(d)
ABOVE SYSTEMS COMBINED												
THREE STATES (MO. WIS. OHIO)												
Three State Average, excluding TNACo. Prop- erties as above.....	1.39	3.86	7.24	1.18	3.41	6.56	1.44	3.95	7.50	1.45	4.04	7.50
Average, Combined TNACo. Systems above (f)...	1.21	3.49	6.68	1.19	3.45	6.63	1.25	3.59	6.74	1.25	3.63	6.97

## PERCENTAGE OF STATE AVERAGES—EXCLUDING TNACo. PROPERTIES

UNION ELECTRIC SYSTEM												
MISSOURI												
Union Electric System.....	77	76	80	92	85	84	81	80	82	79	80	89
WISCONSIN-MICHIGAN SYSTEM												
WISCONSIN												
TNACo. Present Properties (f).....	84	84	87	130	132	124	87	87	88	90	94	95
CLEVELAND ELECTRIC ILLUMINATING SYSTEM												
OHIO												
TNACo. Present Properties.....	80	102(e)	103(e)	88	112(e)	114(e)	75	97(e)	96(e)	78	95(e)	95(e)
ABOVE SYSTEMS COMBINED												
THREE STATES (MO. WIS. OHIO)												
Average, Combined TNACo. Systems above (f)...	87	90	92	101	101	101	87	91	90	86	90	93

a—Based on data published by Federal Power Commission in State Rate Reports; averages weighted by population.

b—Excludes Union Electric Company of Missouri and Missouri Power &amp; Light Company.

c—Reduced to \$3.35 effective July 7, 1940.

d—Reduced to \$6.73 effective July 7, 1940.

e—Percentages would be reduced due to effect of rate reduction of July 7, 1940. If the Cleveland System rate filed July 7th had been in effect January 1, 1940 the relationship to State average would have been reduced to 89 per cent of the percentage shown at 100 kwh. and to 93 per cent at 250 kwh.

f—Without giving effect to "10 for 1" plan of Wisconsin Electric Power Company.

Sheet E

1,000 to 2,500			250 to 1,000		
<u>25 KWH</u>	<u>100 KWH</u>	<u>250 KWH</u>	<u>25 KWH</u>	<u>100 KWH</u>	<u>250 KWH</u>
\$2.04 1.33	\$5.08 3.47	\$8.80 6.89	\$2.23 1.42	\$5.42 3.52	\$9.14 6.79
1.80 1.63	4.24 4.08	7.40 6.95	2.09 1.64	4.90 4.06	8.25 6.94
1.42 1.00	4.21 3.75(c)	8.01 7.25(d)	1.51 1.00	4.36 3.75(c)	8.14 7.25(d)
1.70 1.26	4.47 3.72	8.09 7.08	1.83 1.42	4.76 3.85	8.41 6.99
65	68	78	64	65	74
91	96	94	78	83	84
70	89(e)	91(e)	66	86(e)	89(e)
74	83	88	78	81	83



## Petitioners' Exhibit No. 124

Sheet F

## THE NORTH AMERICAN COMPANY

## UNION ELECTRIC, WISCONSIN-MICHIGAN AND CLEVELAND SYSTEMS

## COMPARISON OF OPERATING EXPENSES OTHER THAN PRODUCTION

(Data are for year 1938, and except as noted, are based on average number of customers)

## ELECTRIC OPERATING EXPENSE PER CUSTOMER (a)

	Total Operating Expenses Other Than Production	Transmission and Dis- tribution (i)	Customers Accounting and Collecting	Sales Promotion	Adminis- trative and General
THE NORTH AMERICAN COMPANY					
UNION ELECTRIC SYSTEM .....	\$15.18	\$ 6.25	\$2.68	\$1.93	\$ 4.32
WISCONSIN-MICHIGAN SYSTEM					
Wisconsin Electric Power Co. ....	13.23	5.80	2.30	2.22	2.91
Wisconsin Gas & Electric Co. ....	14.09	6.49	2.46	1.22	3.92
Wisconsin Michigan Power Co. ....	14.62	6.16	2.24	1.72	4.50
TOTAL WISCONSIN-MICHIGAN SYSTEM .....	13.53	5.97	2.33	1.98	3.25
CLEVELAND ELECTRIC ILLUMINATING CO. SYSTEM .....	18.62	8.46	3.00	2.22	4.94
COMBINED SYSTEMS .....	15.72	6.87	2.66	2.04	4.15
STATE AVERAGES, CLASS A AND B COMPANIES (g) (EXCLUDING TNACo. PROPERTIES)					
MISSOURI (13 companies) (b) .....	\$19.95	\$ 8.45	\$3.44	\$2.37	\$ 5.69
ILLINOIS (11 companies) (c) .....	21.86	10.47	3.61	2.35	5.43
WISCONSIN (13 companies) (d) .....	18.69	7.65	2.76	2.27	6.01
MICHIGAN (9 companies) (e) .....	22.33	11.73	3.89	1.83	4.88
OHIO (14 companies) (f) .....	17.74	8.40	2.65	1.89	4.80
FIVE STATES AVERAGE (60 companies) .....	20.54	9.89	3.36	2.10	5.19
UNITED STATES CLASS A AND B COMPANIES (g) (EXCLUDING TNACo. PROPERTIES)					
(393 companies) .....	21.09	9.15	3.50	2.22	6.22
OTHER ELECTRIC SYSTEMS					
Consolidated Edison Co. of N. Y., Inc. System .....	\$23.72	\$ 7.94	\$5.76	\$2.48	\$ 7.54
Commonwealth Edison Co. System (h) .....	22.67	10.67	3.83	2.45	5.72
Public Service Elec. & Gas Co. (N. J.) (h) .....	17.03	9.01	3.22	1.68	3.12
Southern California Edison Co. Ltd. (h) .....	15.95	6.99	3.37	1.59	4.00
Boston Edison Co. (h) .....	21.03	10.42	3.68	1.64	5.29
Consolidated Gas El. Lt. & Pr. Co. of Baltimore (h) .....	19.65	9.16	3.24	1.34	5.91
Duke Power Co. ....	19.67	10.16	2.32	1.28	5.91
Hartford Electric Light Co. (h) .....	27.57	9.88	3.97	3.43	10.29
AVERAGE, FOR ABOVE EIGHT SYSTEMS .....	21.64	9.01	4.42	2.15	6.06

a—Averages are weighted by number of customers.

b—Excludes Union Elec. Co. of Mo. and Missouri Pr. &amp; Lt. Co.

c—Excludes Union Elec. Co. of Ill.; Ill. Iowa Pr. Co.; Kewanee P. S. Co. and Iowa Union Elec. Co.

d—Excludes Wis. Elec. Pr. Co.; Wis. Gas &amp; Elec. Co. and Wis. Mich. Pr. Co.

e—Excludes Wis. Mich. Pr. Co.

f—Excludes Cleveland Electric Illuminating Co.

g—Class A and B Electric Utilities are those with annual electric revenues of \$250,000 and above.

h—Based on customers at Dec. 31, 1938.

i—Transmission and Distribution combined as some companies do not segregate such data.

**AVERAGE REVENUE PER KILOWATT-HOUR  
TOTAL SALES COMPARED WITH UNITED STATES AVERAGE  
1929 - 1940**

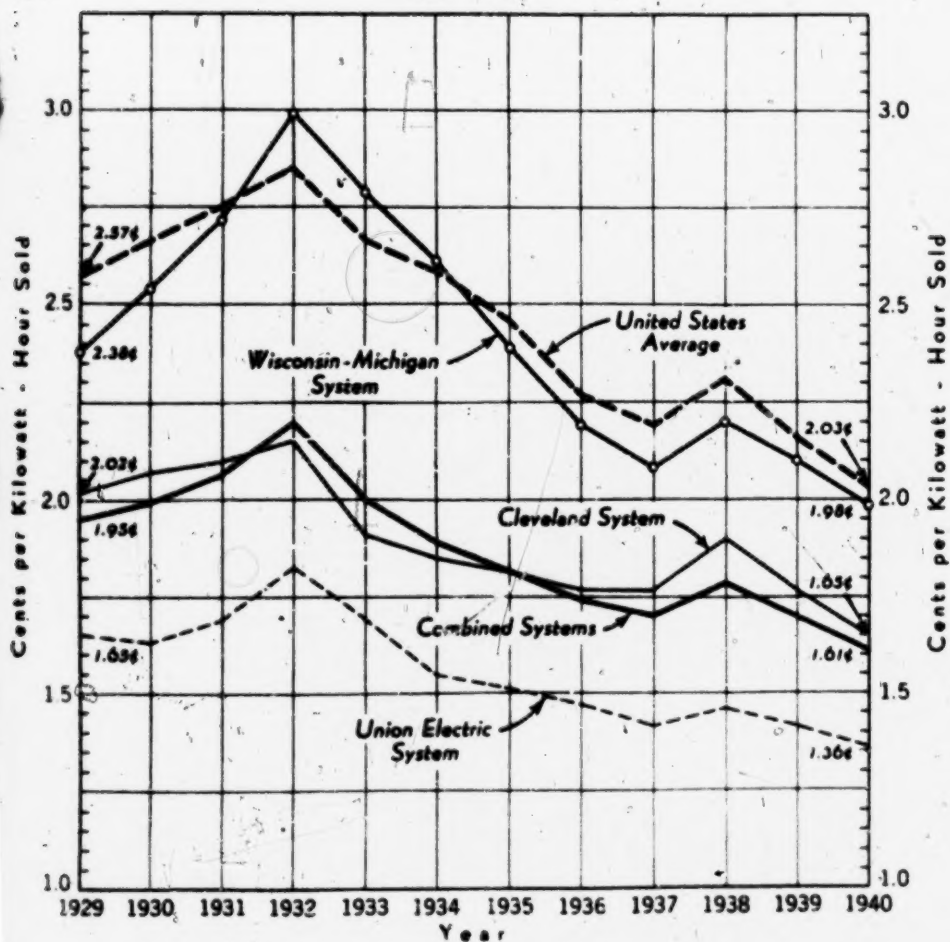


CHART I

# THE NORTH AMERICAN COMPANY

## UNION ELECTRIC, WISCONSIN-MICHIGAN AND CLEVELAND SYSTEMS

AVERAGE REVENUE PER KILOWATT-HOUR  
RESIDENTIAL SALES COMPARED WITH UNITED STATES AVERAGE  
1929 - 1940

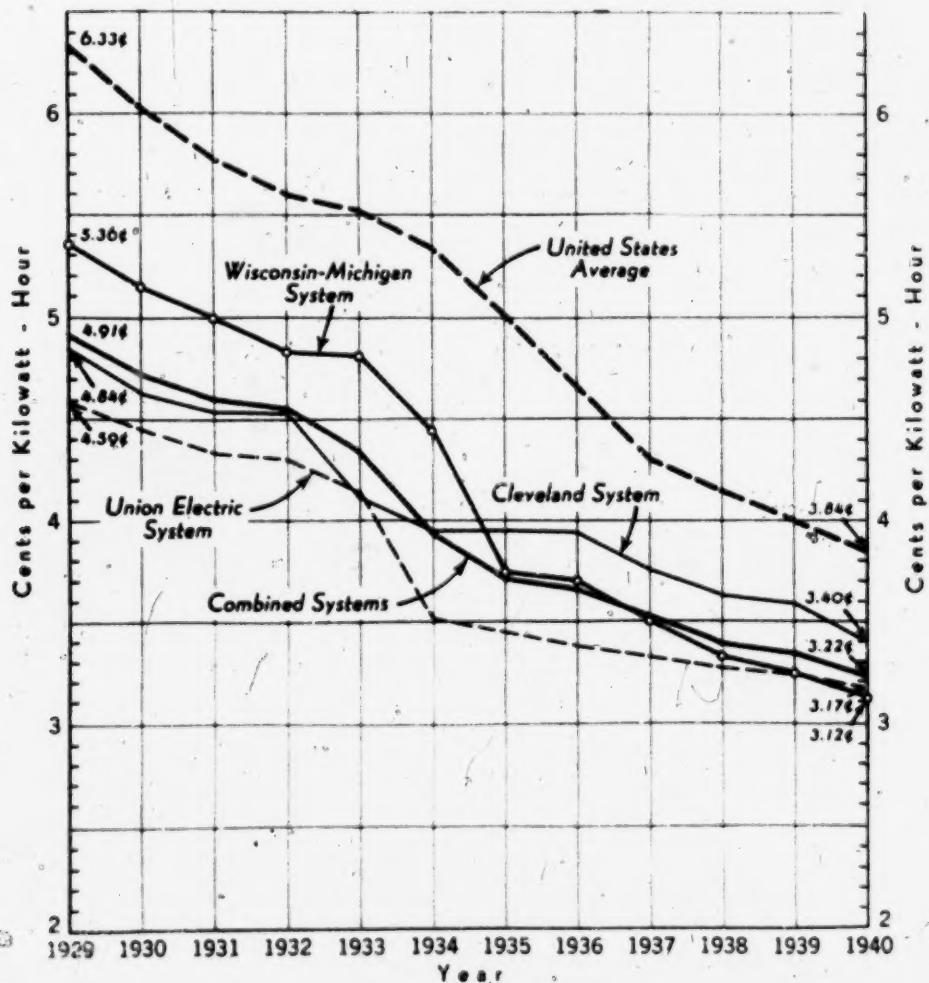


CHART 2

**TREND OF OPERATING EXPENSES, INCLUDING PRODUCTION,  
PER KILOWATT-HOUR SOLD  
1926 - 1940**

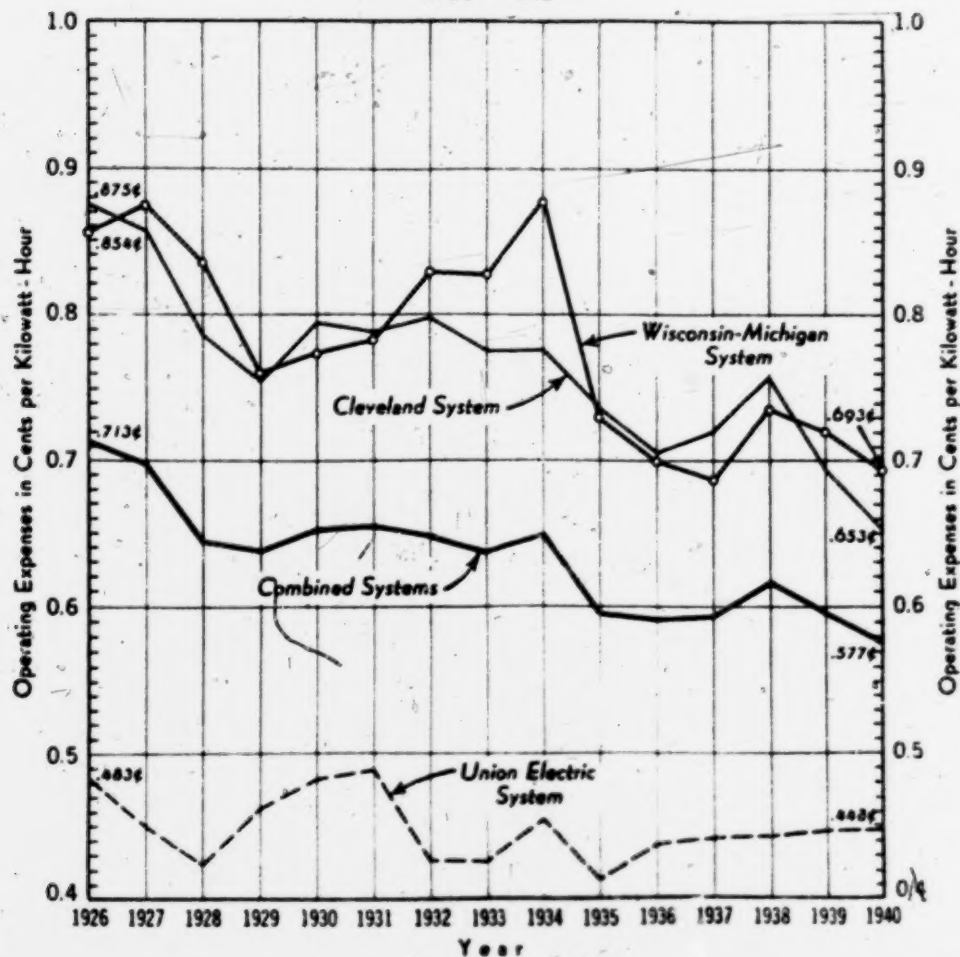


CHART 3



## Petitioners' Exhibit No. 124

Sheet H

**THE NORTH AMERICAN COMPANY**  
**UNION ELECTRIC, WISCONSIN-MICHIGAN AND CLEVELAND SYSTEMS**  
**COMPARISON OF DEPRECIATION APPROPRIATIONS AND RESERVES**

	APPROPRIATION FOR DEPRECIATION PERCENT OF PROPERTY AND PLANT		DEPRECIATION RESERVE RATIO PERCENT OF PROPERTY AND PLANT AT DECEMBER 31	
	1938	1939	1938	1939
<b>THE NORTH AMERICAN COMPANY</b>				
UNION ELECTRIC SYSTEM (a) .....	1.75	1.77	17.18	18.17
<b>WISCONSIN-MICHIGAN SYSTEM</b>				
Wisconsin Electric Power Co. ....	2.35	2.31	27.11	28.65
Wisconsin Gas & Electric Co. ....	2.73	2.74	25.35	25.81
Wisconsin Michigan Power Co. ....	2.04	1.77	13.39	14.03
<b>TOTAL WISCONSIN-MICHIGAN SYSTEM</b> .....	<u>2.49</u>	<u>2.41</u>	<u>25.99</u>	<u>27.03</u>
<b>CLEVELAND ELECTRIC ILLUMINATING CO. SYSTEM</b> .....	2.46	2.71	20.75	22.21
<b>COMBINED TNACo. SYSTEMS ABOVE</b> .....	<u>2.15</u>	<u>2.21</u>	<u>20.71</u>	<u>21.85</u>
Average for Electric and Gas Subsidiaries (177 companies for the year 1938 and 188 companies for the year 1939) of Registered Holding Companies (b) .....	1.72	1.90	10.05	10.85
Number of Electric and Gas Subsidiaries of Registered Holding Companies with percentages higher and percentages lower than Combined Above Systems of The North American Company (b)				
Number higher than Combined TNACo. Systems Above..	50	66	11	11
Number lower than Combined TNACo. Systems Above..	121	116	160	171
Number of companies with higher depreciation appropriation than Combined TNACo. Systems Above, which also have higher reserve ratios .....	10	9(c)	—	—

a—Includes Union Electric Company of Missouri and subsidiaries, plus The St. Louis County Gas Company.

b—Data from "Financial Statistics for Electric and Gas Subsidiaries of Registered Public Utility Holding Companies, Years 1938 and 1939", Securities and Exchange Commission.

c—Of these, two have natural gas production facilities requiring depletion reserves and a third has natural gas gathering lines.

## Petitioners' Exhibit No. 124

## THE NORTH AMERICAN COMPANY

## RELATIVE SIZE COMPARED WITH CERTAIN OTHER ENTERPRISES IN THE UNITED STATES

(Data are as of December 31, 1939, or for year 1939 or nearest fiscal year, except where noted)

% of Total

	Total Assets	Total Assets of Industry Group (a) of Which Company Is a Part	% of Total Assets of Industry or Industry Group (a)	Annual Sales or Revenues
1. The North American Co. and Subs. consolidated (b).	\$ 939,698,000	\$17,355,000,000(c)	5.4	\$ 132,781,000(d) \$
2. Union Elec. (s) Wisc.-Mich. and Cleveland Systems.	672,121,000	17,355,000,000(c)	3.9	104,900,000(d)
3. General Motors Corp. ....	1,323,382,000(g)	2,428,347,000(g)	54.5	1,402,903,000(g)
4. United States Steel Corp.....	1,768,524,000(k)	4,113,538,000(k)	43.0	904,152,000(k)
5. Standard Oil Co. (New Jersey).....	2,034,989,000(o)	8,108,000,000(p)	25.1	933,766,000(o)
6. General Electric Co.....	392,223,000(h)	Not available	—	313,490,000(h)
7. American Telephone and Telegraph Co.....	5,227,362,000(w)	6,374,924,000(A)	82.1	1,132,110,000(w)
8. Pennsylvania Railroad Co.....	2,359,209,000(D)	27,453,156,000(B)	8.6	467,795,000(D)
9. E. I. duPont de Nemours & Co.....	735,824,000(F)	1,792,325,000(F)	41.0	298,833,000(F)
10. International Harvester Co.....	402,434,000(I)	759,623,000(I)	52.9	267,027,000(I)
11. Sears Roebuck & Co.....	323,687,000(j)	625,490,000(J)	51.8	617,414,000(J)
12. Great Atlantic & Pacific Tea Co. of America.....	195,655,000(h)	—	—	990,358,000(h) 1

(a)—Where data for entire industry are not reported, totals are for major portion of the industry as noted.

(b)—Includes utility and non-utility subsidiaries plus investments.

(c)—Compiled from FPC statistics; represents entire electric utility industry.

(d)—Operating and non-operating revenues.

(e)—Of these, 5 have since been dissolved.

(f)—Of these, 3 have since been dissolved.

(g)—Survey of American Listed Corporations (SEC). Supplement No. 4, August 1940; totals are for nine companies reported plus Ford Motor Company.

(h)—Moody's Industrial Manual, 1940.

(i)—Exclusive of 64 foreign operations.

(j)—Includes 64 foreign corporations and 309 retail distribution subsidiaries.

(k)—Survey of American Listed Corporations (SEC). Supplement No. 3, August 1940; totals are for twelve companies with assets over \$100,000,000 each.

(l)—Poor's Industrial Manual 1940.

(m)—Exclusive of 6 foreign operations.

(n)—Includes 6 foreign corporations.

(o)—Survey of American Listed Corporations (SEC). Supplement No. 12, October 1940.

(p)—Source (o) above, 20 companies with assets over \$50,000,000. Estimated by TNEC (Hearings Part 14), pp. 7738, 7766) that these comprise 66% percent of the entire petroleum industry.

(q)—Exclusive of 169 foreign operations and exclusive of retailing operations in the United States.

(r)—Includes 169 foreign corporations.

(s)—The St. Louis County Gas Company included with Union Electric system.

(t)—Electrical World, Jan. 13, 1940, page 96(120).

Annual Sales or Revenues	Total Annual Sales or Revenues of Industry Group (a) of Which Company Is a Part	% of Total Annual Sales or Revenues of Industry or Industry Group (a)	Number of Employees	Number of States in Which Operations Are Carried On	Number of Subsidiaries (Over 50% Voting Control)	Location of Executive Office	Distance from Executive Office to Furthest Distant Center of Operation in U. S.
\$ 132,781,000(d)	\$ 2,678,000,000(C)	5.0	21,074	10	43(e)	New York City	1,450
104,900,000(d)	2,678,000,000(C)	3.9	14,291	6	25(f)	New York City	1,125
1,402,903,000(g)	2,804,084,000(g)	50.0	220,000(h)	11(i)	413(j)	Detroit, Mich.	2,140
904,152,000(k)	2,254,791,000(k)	40.1	224,000(l)	23(m)	136(n)	New York City	2,480
933,766,000(o)	4,337,000,000(p)	21.6	134,000(h)	19(q)	227(r)	New York City	1,750
313,490,000(h)	2,143,000,000(t)	14.6	63,000(h)	14(u)	78(v)	Schenectady, N. Y.	2,480
1,132,110,000(w)	1,426,118,000(A)	79.4	297,000(x)	48(x)	31(y)	New York City	2,600
467,795,000(D)	3,995,004,000(B)	11.7	100,000(D)	13(D)	110(E)	Philadelphia, Pa.	840
298,833,000(F)	983,841,000(F)	30.4	55,000(h)	25(h)	21(H)	Wilmington, Del.	2,550
267,027,000(I)	533,418,000(I)	50.1	45,000(h)	8(K)	29(G)	Chicago, Ill.	1,760
617,414,000(J)	1,179,907,000(J)	52.3	72,000(h)	47(L)	37(H)	Chicago, Ill.	1,760
990,358,000(h)	11,548,000,000(z)	8.6	86,000(h)	39(h)	18(h)	New York City	2,540

(u)—Exclusive of 46 foreign operations.

(v)—Includes 46 foreign corporations.

(w)—AT&T Annual Report 1940.

(x)—Poor's Public Utility Manual, 1940.

(y)—Principal subsidiaries only.

(z)—"Retail Trade—U. S. 1939"—Bureau of Census, Dept. of Commerce 2/14/41.

(A)—Includes all domestic Communications Utilities, Poor's Public Utility Manual 1940 plus RCA from Poor's Industrial Manual, 1940.

(B)—ICC Preliminary Abstract of Railway Statistics 1938.

(C)—Revenue reported is operating revenue only; represents entire utility industry as compiled from FPC statistics.

(D)—Poor's Railroad Manual, 1940.

(E)—As of 12/31/36, latest data available, Poor's 1940 Railroad Manual.

(F)—Survey of American Listed Corporations (SEC). Supplement No. 26, December 1940; totals are for 21 corporations with assets over \$10,000,000 each.

(G)—Includes 18 foreign corporations and three American corporations located abroad.

(H)—Includes three foreign corporations.

(I)—Survey of American Listed Corporations (SEC). Supplement No. 13, October 1940; totals are for ten companies.

(J)—Survey of American Listed Corporations (SEC). Supplement No. 16, October 1940; totals are for seven companies.

(K)—Exclusive of 18 foreign operations.

(L)—Retail operations. Also has plants in 14 states.

**Petitioners' Exhibit No. 125****THE NORTH AMERICAN COMPANY**

(Summary of Investments; extract from Respondents' Exhibit No. 125)

	Number of shares or principal amount owned by The North American Company	Carrying value at December 31, 1940
Wisconsin Electric Power Company		
Preferred Stocks .....	72,204 shs.	\$ 7,220,400.00
Common Stock .....	1,228,710 shs.	18,093,424.00
Wisconsin Gas & Electric Company		
Common Stock .....	300,000 shs.	6,000,000.00
Wisconsin Michigan Power Company		
Common Stock .....	300,000 shs.	6,774,615.46
Milwaukee Light, Heat & Traction Company		
Capital Stock .....		400,000.00
Union Electric Company of Missouri		
Common Stock .....	2,295,000 shs.	51,840,780.70
Laclede Power and Light Company		
Common Stock .....	}	404,040.89
Voting Trust Certificates .....		
Mississippi River Power Company		
6% Preferred Capital		
Stock Scrip .....		62.53
Common Stock .....		22,522.00
The St. Louis County Gas Company		
Capital Stock .....	41,000 shs.	4,100,000.00
The Cleveland Electric Illuminating Company		
Common Stock .....	1,347,908 shs.	38,417,339.64
Washington Railway and Electric Company		
Preferred Capital Stock .....	12,827 shs.	1,257,253.82
Common Capital Stock .....	50,197 shs.	10,272,456.27
Participating Units for Deposited Shares .....	255,201 ctfs.	1,305,631.44
Capital Transit Company		
Capital Stock .....	3,012 shs.	274,093.32
5% Notes maturing serially from 1937 to 1946 .....	\$180,000	180,000.00



## Petitioners' Exhibit No. 125

## THE NORTH AMERICAN COMPANY

(Summary of Investments; extract from Respondents' Exhibit No. 125)

	Number of shares or principal amount owned by The North American Company	Carrying value at December 31, 1941
Pacific Gas and Electric Company Common Stock .....	2,002,770 shs.	\$ 63,765,418.62
The Detroit Edison Company Capital Stock .....	244,463 shs.	29,822,316.04
North American Light & Power Com- pany \$6 Preferred Stock.....	84,925 shs.	4,157,044.21
Common Stock .....	5,327,067 shs.	22,211,602.54
5½% Debentures, due July 1, 1956.	\$7,263,000	4,896,518.41
Illinois Iowa Power Company (formerly Illinois Power and Light Corporation) 5% Preferred Stock.....	4,700 shs.	155,795.13
Common Stock .....	4,700 shs.	53,085.75
Dividend Arrears Certificate.....	4,700 cts.	56,547.87
Bonds 6%, due April 1, 1953.....	\$778,500	521,767.43
Bonds 5%, due December 1, 1956..	\$176,000	99,967.81
West Kentucky Coal Company (N. J.) 7% Cumulative Preferred Stock...		3,801,350.51
Common Stock .....		1.00
North American Utility Securities Cor- poration Second Preferred Stock.....	60,000 shs. }	1,703,757.38
Common Stock .....	376,151 shs. }	
60 Broadway Building Corporation Capital Stock .....		350,000.00
Associated Music Publishers, Inc. First Preferred Stock.....		450,000.00
3% Notes due April 27, 1940 and April 27, 1941.....		45,000.00
Contract Account .....		4,624,284.64
Communications Patents, Inc. Settlement Agreement .....		1.00
Wisconsin Securities Company (Del.) Capital Stock .....		1.00
		<hr/> \$283,277,079.51

**Petitioners' Exhibit No. 126**

**THE NORTH AMERICAN COMPANY**

	1936	1937	1938	1939	1940
Dividends Received from Pacific Gas & Electric Co. ....	\$ 2,834,210.68	\$ 4,005,540.00	\$ 4,005,540.00	\$ 4,005,540.00	\$ 4,005,540.00
The Detroit Edison Co. ....	1,464,278.00	1,466,778.00	1,466,778.00	1,466,778.00	1,466,778.00
Total .....	<u>\$ 4,298,488.68</u>	<u>\$ 5,472,318.00</u>	<u>\$ 5,472,318.00</u>	<u>\$ 5,472,318.00</u>	<u>\$ 5,472,318.00</u>
Gross Corporate Income .....	\$17,124,763.51	\$19,134,005.47	\$16,139,262.20	\$21,859,841.87	\$21,616,887.13
Debenture Interest .....	\$ 1,195,995.56	\$ 1,195,650.00	\$ 1,195,650.00	\$ 2,509,335.62	\$ 2,637,500.00
Preferred Dividends .....	1,819,077.00	1,819,077.00	1,819,077.00	3,643,821.87	3,821,400.19
Total .....	<u>\$ 3,015,072.56</u>	<u>\$ 3,014,727.00</u>	<u>\$ 3,014,727.00</u>	<u>\$ 6,153,157.49</u>	<u>\$ 6,458,900.19</u>

2200

**Petitioners' Exhibit No. 127**

**CAPITAL STRUCTURE OF UTILITY OPERATING SUBSIDIARIES (AND OF NORTH AMERICAN LIGHT & POWER COMPANY AND WASHINGTON RAILWAY AND ELECTRIC COMPANY, INTERMEDIATE HOLDING COMPANIES) AS OF DECEMBER 31, 1940**

			WASHINGTON RAILWAY AND ELECTRIC COMPANY'S INVESTMENT	
	Capital	% of Total Capital	Par or Stated Value Owned	% of Total Capital
<b>Potomac Electric Power Company:</b>				
Common Stock .....	\$ 6,000,000.00	7.89	\$ 6,000,000.00	7.89
Preferred Stock .....	7,000,000.00	9.20	—	—
Funded Debt .....	31,666,000.00	41.64	—	—
Surplus .....	31,381,504.65	41.27	31,381,504.65	41.27
<b>Total.....</b>	<b>\$ 76,047,504.65</b>	<b>100.00</b>	<b>\$ 37,381,504.65</b>	<b>49.16</b>
			THE WASHINGTON AND ROCKVILLE RAILWAY CO. OF MONTGOMERY COUNTY'S INVESTMENT	
<b>Braddock Light &amp; Power Company, Inc.:</b>				
Common Stock .....	\$ 192,500.00	94.43	\$ 192,500.00	94.43
Surplus .....	11,348.13	5.57	11,348.13	5.57
<b>Total.....</b>	<b>\$ 203,848.13</b>	<b>100.00</b>	<b>\$ 203,848.13</b>	<b>100.00</b>
			THE NORTH AMERICAN COMPANY'S INVESTMENT	
<b>The Cleveland Electric Illuminating Company:</b>				
Common Stock .....	\$ 40,871,520.00	31.26	\$ 32,490,741.83	24.85
Preferred Stock .....	25,498,900.00	19.51	—	—
Funded Debt .....	50,000,000.00	38.25	—	—
Surplus .....	14,359,027.86	10.98	11,414,683.54	8.73
<b>Total.....</b>	<b>\$ 130,729,447.86</b>	<b>100.00</b>	<b>\$ 43,905,425.37</b>	<b>33.58</b>

*Petitioners' Exhibit No. 127*

**CAPITAL STRUCTURE OF UTILITY OPERATING SUBSIDIARIES (AND OF NORTH AMERICAN LIGHT & POWER COMPANY AND WASHINGTON RAILWAY AND ELECTRIC COMPANY, INTERMEDIATE HOLDING COMPANIES) AS OF DECEMBER 31, 1940**

(Continued)

			THE NORTH AMERICAN COMPANY'S INVESTMENT	
	Capital	% of Total Capital	Par or Stated Value Owned	% of Total Capital
North American Light & Power Company:				
Common Stock .....	\$ 6,288,059.00	5.59	\$ 5,327,067.00	4.74
Preferred Stock (Corporate).....	18,555,021.00	16.50	8,115,074.45	7.22
Preferred Stock of Subsidiaries .....	18,878,100.00	16.79	—	—
Funded Debt (Consolidated).....	53,125,700.00	47.25	7,263,000.00	6.45
Consolidated Surplus—Capital Surplus and deficit .....	15,594,665.44	13.87	9,152,841.63	8.14
Total.....	<u>\$112,441,545.44</u>	<u>100.00</u>	<u>\$ 29,857,983.08</u>	<u>26.55</u>
The St. Louis County Gas Company:				
Common Stock .....	\$ 4,100,000.00	51.97	\$ 4,100,000.00	51.97
Funded Debt .....	1,500,000.00	19.01	—	—
Surplus .....	2,288,948.42	29.02	2,288,948.42	29.02
Total.....	<u>\$ 7,888,948.42</u>	<u>100.00</u>	<u>\$ 6,388,948.42</u>	<u>80.99</u>
Union Electric Company of Missouri:				
Common Stock .....	\$ 52,500,000.00	25.81	\$ 52,500,000.00	25.81
Preferred Stock (Corporate).....	13,000,000.00	6.39	—	—
Preferred Stock of Subsidiaries.....	8,234,475.00	4.05	62.50	—
Funded Debt (Corporate).....	95,000,000.00	46.71	—	—
Funded Debt of Subsidiaries.....	19,270,500.00	9.48	—	—
Consolidated Surplus .....	15,379,175.61	7.56	15,379,175.61	7.56
Total.....	<u>\$203,384,150.61</u>	<u>100.00</u>	<u>\$ 67,879,238.11</u>	<u>33.37</u>

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*Petitioners' Exhibit No. 127*

**CAPITAL STRUCTURE OF UTILITY OPERATING SUBSIDIARIES (AND OF NORTH AMERICAN LIGHT & POWER COMPANY AND WASHINGTON RAILWAY AND ELECTRIC COMPANY, INTERMEDIATE HOLDING COMPANIES) AS OF DECEMBER 31, 1940**

(Continued)

			THE NORTH AMERICAN COMPANY'S INVESTMENT	
	Capital	% of Total Capital	Par or Stated Value Owned	% of Total Capital
Wisconsin Gas & Electric Company:				
Common Stock .....	\$ 6,000,000.00	26.42	\$ 6,000,000.00	26.42
Preferred Stock .....	3,342,500.00	14.72	—	—
Funded Debt .....	12,000,000.00	52.83	—	—
Surplus .....	1,369,877.71	6.03	1,369,877.71	6.03
Total .....	<u>\$ 22,712,377.71</u>	<u>100.00</u>	<u>\$ 7,369,877.71</u>	<u>32.45</u>
Wisconsin Electric Power Company:				
Common Stock .....	\$ 13,959,280.00	11.16	\$ 12,287,100.00	9.82
Preferred Stock .....	30,709,800.00	24.54	7,220,400.00	5.77
Funded Debt .....	67,000,000.00	53.54	—	—
Surplus .....	13,466,584.29	10.76	11,853,424.23	9.47
Total .....	<u>\$125,135,664.29</u>	<u>100.00</u>	<u>\$ 31,360,924.23</u>	<u>25.06</u>
Wisconsin Michigan Power Company:				
Common Stock .....	\$ 6,000,000.00	25.08	\$ 6,000,000.00	25.08
Preferred Stock .....	4,000,000.00	16.72	—	—
Funded Debt .....	12,980,000.00	54.24	—	—
Surplus .....	946,691.08	3.96	946,691.08	3.96
Total .....	<u>\$ 23,926,691.08</u>	<u>100.00</u>	<u>\$ 6,946,691.08</u>	<u>29.04</u>

*Petitioners' Exhibit No. 127*

**CAPITAL STRUCTURE OF UTILITY OPERATING SUBSIDIARIES (AND OF NORTH AMERICAN LIGHT & POWER COMPANY AND WASHINGTON RAILWAY AND ELECTRIC COMPANY, INTERMEDIATE HOLDING COMPANIES) AS OF DECEMBER 31, 1940**

(Continued)

			THE NORTH AMERICAN COMPANY'S INVESTMENT	
	Capital	% of Total Capital	Par or Stated Value Owned	% of Total Capital
Washington Railway and Electric Company:				
Common Stock .....	\$ 6,500,000.00	6.52	\$ 5,657,702.30	5.68
Preferred Stock (Corporate).....	8,500,000.00	8.53	1,282,700.00	1.29
Preferred Stock of Subsidiaries .....	7,000,000.00	7.02	—	—
Funded Debt (Corporate) .....	3,138,950.00	3.15	—	—
Funded Debt of Subsidiaries .....	31,666,000.00	31.78	—	—
Consolidated Surplus .....	42,853,027.03	43.00	37,299,950.48	37.42
Total.....	\$ 99,657,977.03	100.00	\$ 44,240,352.98	44.39
NORTH AMERICAN LIGHT & POWER COMPANY'S INVESTMENT				
The Kansas Power and Light Co.:				
Common Stock .....	\$ 10,500,000.00	18.65	\$ 10,500,000.00	18.65
Preferred Stock .....	13,911,700.00	24.71	—	—
Funded Debt .....	29,480,000.00	52.35	—	—
Surplus .....	2,418,651.88	4.29	2,418,651.88	4.29
Total.....	\$ 56,310,351.88	100.00	\$ 12,918,651.88	22.94
Missouri Power & Light Company:				
Common Stock .....	\$ 3,300,000.00	18.21	\$ 3,300,000.00	18.21
Preferred Stock .....	5,000,000.00	27.60	329,800.00	1.82
Funded Debt .....	9,000,000.00	49.67	—	—
Surplus .....	819,040.74	4.52	819,040.74	4.52
Total.....	\$ 18,119,040.74	100.00	\$ 4,448,840.74	24.55

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*Petitioners' Exhibit No. 127*

**CAPITAL STRUCTURE OF UTILITY OPERATING SUBSIDIARIES (AND OF NORTH AMERICAN LIGHT & POWER COMPANY AND WASHINGTON RAILWAY AND ELECTRIC COMPANY, INTERMEDIATE HOLDING COMPANIES) AS OF DECEMBER 31, 1940**

(Continued)

	Capital	% of Total Capital	NORTH AMERICAN LIGHT & POWER COMPANY'S INVESTMENT	
			Par or Stated Value Owned	% of Total Capital
<b>Nebraska Natural Gas Company:</b>				
Common Stock .....	\$ 1,170,000.00	63.74	\$ 1,170,000.00	63.74
Advanced by North American Light & Power Company....	600,000.00	32.68	600,000.00	32.68
Surplus .....	65,661.28	3.58	65,661.28	3.58
Total.....	<u>\$ 1,835,661.28</u>	<u>100.00</u>	<u>\$ 1,835,661.28</u>	<u>100.00</u>
			ILLINOIS TRACTION COMPANY'S INVESTMENT	
<b>Kewanee Public Service Co.:</b>				
Common Stock .....	\$ 500,000.00	29.46	\$ 500,000.00	29.46
Preferred Stock .....	350,000.00	20.63	74,800.00	4.41
Funded Debt .....	913,200.00	53.82	—	—
Deficit .....	—66,333.14	—3.91	—66,333.14	—3.91
Total.....	<u>\$ 1,696,866.86</u>	<u>100.00</u>	<u>\$ 508,466.86</u>	<u>29.96</u>
			UNION ELECTRIC CO. OF MISSOURI'S INVESTMENT	
<b>Union Electric Company of Illinois:</b>				
Common Stock .....	\$ 18,000,000.00	42.08	\$ 18,000,000.00	42.08
Funded Debt .....	22,000,000.00	51.43	22,000,000.00	51.43
Surplus .....	2,775,375.48	6.49	2,775,375.48	6.49
Total.....	<u>\$ 42,775,375.48</u>	<u>100.00</u>	<u>\$ 42,775,375.48</u>	<u>100.00</u>

*Petitioners' Exhibit No. 127*

**CAPITAL STRUCTURE OF UTILITY OPERATING SUBSIDIARIES (AND OF NORTH AMERICAN LIGHT  
& POWER COMPANY AND WASHINGTON RAILWAY AND ELECTRIC COMPANY, INTERMEDIATE  
HOLDING COMPANIES) AS OF DECEMBER 31, 1940**

(Continued)

	Capital	% of Total Capital	UNION ELECTRIC CO. OF MISSOURI'S INVESTMENT	
			Par or Stated Value Owned	% of Total Capital
<b>Cupples Station Light, Heat and Power Company:</b>				
Common Stock .....	\$ 1,000,000.00	95.99	\$ 1,000,000.00	95.99
Surplus .....	41,824.15	4.01	41,824.15	4.01
<b>Total.....</b>	<b>\$ 1,041,824.15</b>	<b>100.00</b>	<b>\$ 1,041,824.15</b>	<b>100.00</b>
<b>Mississippi River Power Company:</b>				
Common Stock .....	\$ 16,000,000.00	33.04	\$ 15,955,000.00	32.94
Preferred Stock .....	8,234,475.00	17.00	—	—
Funded Debt .....	18,570,500.00	38.34	—	—
Surplus .....	5,627,606.08	11.62	5,611,778.44	11.59
<b>Total.....</b>	<b>\$ 48,432,581.08</b>	<b>100.00</b>	<b>\$ 21,566,778.44</b>	<b>44.53</b>
<b>Iowa Union Electric Company:</b>				
Common Stock .....	\$ 999,315.00	52.41	\$ 999,315.00	52.41
Funded Debt .....	700,000.00	36.71	—	—
Surplus .....	207,469.72	10.88	207,469.72	10.88
<b>Total.....</b>	<b>\$ 1,906,784.72</b>	<b>100.00</b>	<b>\$ 1,206,784.72</b>	<b>63.29</b>
			WISCONSIN ELECTRIC POWER COMPANY'S INVESTMENT	
<b>The Milwaukee Electric Railway and Transport Company:</b>				
Common Stock .....	\$ 25,000,000.00	70.14	\$ 25,000,000.00	70.14
Funded Debt .....	10,000,000.00	28.05	10,000,000.00	28.05
Surplus .....	646,183.48	1.81	646,183.48	1.81
<b>Total.....</b>	<b>\$ 35,646,183.48</b>	<b>100.00</b>	<b>\$ 35,646,183.48</b>	<b>100.00</b>

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## Petitioners' Exhibit No. 128

## THE NORTH AMERICAN COMPANY AND SUBSIDIARIES

Analysis of Consolidated Balance for Common Dividends and Surplus Showing Annual Deviations from Ten Year Average Figures,  
Expressed in Percentages (Note A)

	1931	1932	1933	<del>1934</del>	1935	1936	1937	1938
Balance for Common Dividends and Surplus of Subsidiary Companies:								
Wisconsin Electric Power Company and Subsidiaries (C).....	\$ 2,697,988	\$ 1,224,816	\$ 1,070,878	\$ 1,046,437	\$ 1,480,282	\$ 2,073,177	\$ 1,366,316	\$ 1,427,839
Per Cent. deviation from 10 year average.....	+82.28	-17.25	-27.65	-29.30	—	+40.07	-7.69	-3.53
Wisconsin Gas & Electric Company.....	925,628	557,993	453,464	85,762	161,398	591,307	568,115	371,554
Per Cent. deviation from 10 year average.....	+91.22	+15.27	-6.32	-82.28	-66.66	+22.15	+17.36	-23.24
Wisconsin Michigan Power Company.....	455,086	209,147	141,792	136,685	122,976	463,161	537,999	511,017
Per Cent. deviation from 10 year average.....	+19.99	-44.87	-62.62	-64.02	-67.58	+22.09	+41.82	+34.71
Union Electric Company of Missouri and Subsidiaries.....	8,541,331	5,819,945	4,337,608	3,757,879	5,805,043	5,865,505	7,280,422	5,533,033
Per Cent. deviation from 10 year average.....	+43.71	-2.08	-27.02	-36.77	-2.33	-1.31	+22.49	-6.91
The St. Louis County Gas Company.....	559,429	471,081	389,336	320,939	394,456	428,229	433,776	402,042
Per Cent. deviation from 10 year average.....	+30.43	+9.80	-9.26	-25.20	-8.06	-1.19	+1.10	-6.29
The Cleveland Electric Illumination Company and Subsidiaries.....	6,465,665	5,232,476	4,014,829	4,357,465	5,215,177	5,772,088	5,954,345	5,678,474
Per Cent. deviation from 10 year average.....	+15.37	-6.64	-28.36	-22.25	-6.95	+2.99	-6.24	+1.32
Washington Railway and Electric Company and Subsidiaries.....	4,255,107	3,671,552	3,492,177	3,226,114	3,130,676	3,495,827	3,855,970	3,121,218
Per Cent. deviation from 10 year average.....	+23.64	+6.69	+1.47	-6.26	-9.03	+1.58	+12.05	-9.30
Sub-Total Utility Subsidiaries .....	\$23,900,234	\$17,187,010	\$13,900,084	\$12,931,281	\$16,310,008	\$18,689,294	\$19,996,943	\$17,045,177
Per Cent. deviation from 10 year average.....	+34.56	-3.24	-21.74	-27.20	-8.17	+5.22	+12.58	-4.04
* Average Per Cent. deviation from the 10 year average of the above subsidiaries computed without regard to sign, plus or minus.....	43.81	14.66	23.24	38.01	22.94	12.91	15.54	12.19
Other Subsidiaries—(not including holding and securities companies, Note D) ..	-82,242	-184,850	-151,849	65,946	-80,346	279,907	63,375	-17,730
Total Balance for Common Dividends and Surplus of the above subsidiaries.....	\$23,817,992	\$17,002,160	\$13,748,235	\$12,997,227	\$16,229,662	\$18,969,201	\$20,060,318	\$17,027,447
Minority Interest in Net Income of the above Subsidiaries.....	-1,530,872	-1,200,400	-937,632	-983,306	-1,157,384	-1,334,785	-1,387,236	-1,298,978
Net Holding Company Income, Etc.								
This item includes all income, other than Common Dividends from the above subsidiaries, of the holding and securities companies, after all expenses and all charges, other than interest charges and preferred dividends of The North American Company and North American Edison Company and includes certain minor adjustments made in consolidation.....	8,437,437	7,263,425	5,070,477	5,103,054	4,622,489	4,795,821	5,499,673	5,037,540
Total Consolidated Earnings available for Interest Charges and Dividends of The North American Company and North American Edison Company.....	\$30,724,557	\$23,065,185	\$17,881,080	\$17,116,975	\$19,694,767	\$22,430,237	\$24,172,755	\$20,766,009
Per Cent. deviation from 10 year average.....	+39.30	+4.57	-18.93	-22.40	-10.71	+1.69	+9.59	-5.85

1939 (Note A)	1940 (Note A)	Ten Year Total (Note B)	Ten Year Average (Note B)
\$ 1,060,412	\$ 1,353,276	\$ 14,801,421	\$ 1,480,142
-28.36	-8.57	244.70	24.47
546,361	579,065	4,840,647	484,065
+13.28	+19.63	357.41	35.74
568,022	647,622	3,793,507	379,350
+49.74	+70.72	478.16	47.82
6,389,265	6,104,796	59,434,827	5,943,483
+7.50	+2.71	152.83	15.28
449,413	441,788	4,290,489	429,049
+4.75	+2.97	98.05	9.81
6,184,731	7,168,837	56,044,087	5,604,409
+10.35	+27.91	128.38	12.84
3,240,144	2,925,543	34,414,328	3,441,433
-5.85	-14.99	90.86	9.09
\$18,438,348	\$19,220,927	\$177,619,306	\$17,761,931
+3.81	+8.21	128.77	12.88
17.12	21.07	221.49	22.15
-29	98,153	-9,665	-967
\$18,438,319	\$19,319,080	\$177,609,641	\$17,760,964
-1,407,915	-1,898,186	-13,136,694	-1,313,669
5,475,422	4,792,424	56,097,762	5,609,776
\$22,505,826	\$22,213,318	\$220,470,709	\$22,057,071
+2.03	+71	115.78	11.58

## Petitioners' Exhibit No. 128

## THE NORTH AMERICAN COMPANY AND SUBSIDIARIES

Analysis of Consolidated Balance for Common Dividends and Surplus Showing Annual Deviations from Ten Year Average Figures,  
Expressed in Percentages (Note A)

	1931	1932	1933	1934	1935	1936	1937	1938	1939 (Note A)
Holding Company Interest Charges and Preferred Dividends.....	\$-8,271,640	\$-8,469,470	\$-8,149,412	\$-8,144,595	\$-8,083,089	\$-7,505,693	\$-7,489,351	\$-7,476,079	\$-6,715,439
Consolidated Balance Available for Common Dividends and Surplus.....	\$22,452,917	\$14,595,715	\$ 9,731,668	\$ 8,972,380	\$11,611,678	\$14,924,544	\$16,683,404	\$13,289,930	\$15,790,387
Per Cent. deviation from 10 year average.....	+56.20	+1.54	-32.30	-37.58	-19.22	+3.83	+16.06	-7.55	+9.85
Undistributed Earnings of Subsidiary Companies.....	\$-7,863,349	\$-2,784,851	\$-2,085,793	\$ -791,609	\$-1,587,785	\$-1,940,342	\$-1,762,709	\$-1,428,435	\$-2,293,455
Corporate Balance available for Common Dividends and Surplus of The North American Company and North American Edison Company but excluding dividends received from Western Power Corporation in excess of balance available for the year .....	\$14,589,568	\$11,810,864	\$ 7,645,875	\$ 8,180,771	\$10,023,893	\$12,984,202	\$14,920,695	\$11,861,495	\$13,496,932
Per Cent. deviation from 10 year average.....	+22.98	-45	-35.55	-31.04	-15.51	+9.44	+25.77	-0.2	+13.77
Add Back:									
Holding Company Interest Charges and Preferred Dividends.....	\$ 8,271,640	\$ 8,469,470	\$ 8,149,412	\$ 8,144,595	\$ 8,083,089	\$ 7,505,693	\$ 7,489,351	\$ 7,476,079	\$ 6,715,439
Corporate Earnings available for Interest Charges and Dividends of The North American Company and North American Edison Company but excluding dividends received from Western Power Corporation in excess of balance available for the year .....	\$22,861,208	\$20,280,334	\$15,795,287	\$16,325,366	\$18,106,982	\$20,489,895	\$22,410,046	\$19,337,574	\$20,212,371
Per Cent. deviation from 10 year average.....	+16.96	+3.76	-19.19	-16.48	-7.36	+4.83	+14.65	-1.07	+3.41

## NOTES:

- (A) The earnings for years 1939 and 1940 are on the basis of the former basis of consolidation, including Washington Railway and Electric Company and Subsidiaries and excluding North American Light & Power Company and Subsidiaries.
- (B) The percentage deviation from the ten year average shown in this column is computed without regard to sign, plus or minus.
- (C) Includes the former Wisconsin Electric Power Company prior to October 1938 when it was merged into the present Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company).
- (D) Holding and securities companies referred to are: Edison Securities Corporation, Western Power Corporation and North American Utilities Securities Corporation. The net income of these companies after deducting all expenses and charges, including minority interest, is included in the item for Holding Company Other Net Income, etc.

1940 (Note A)	Ten Year Total (Note B)	Ten Year Average (Note B)
\$-6,519,628	\$-76,824,396	\$-7,682,440
\$15,693,690	\$143,746,313	\$14,374,631
+9.18	193.31	19.33
\$-2,571,028	\$-25,109,356	\$-2,510,936

\$13,122,662	\$118,636,957	\$11,863,695
+10.61	165.14	16.51

\$ 6,519,628	\$ 76,824,396	\$ 7,682,440
--------------	---------------	--------------

\$19,642,290	\$195,461,353	\$19,546,135
+ .49	88.20	8.82



150%

125

100

75

50

25

0

25

Annual Deviation from 10 Year Average - 1930 to 1939

Consolidated Earnings Available for Interest Charges and Dividends of  
The North American Company and North American Edison Company

Balance Available for Common Dividends and Surplus

Wisconsin Electric Power Company & Subsidiaries

Wisconsin Gas & Electric Company

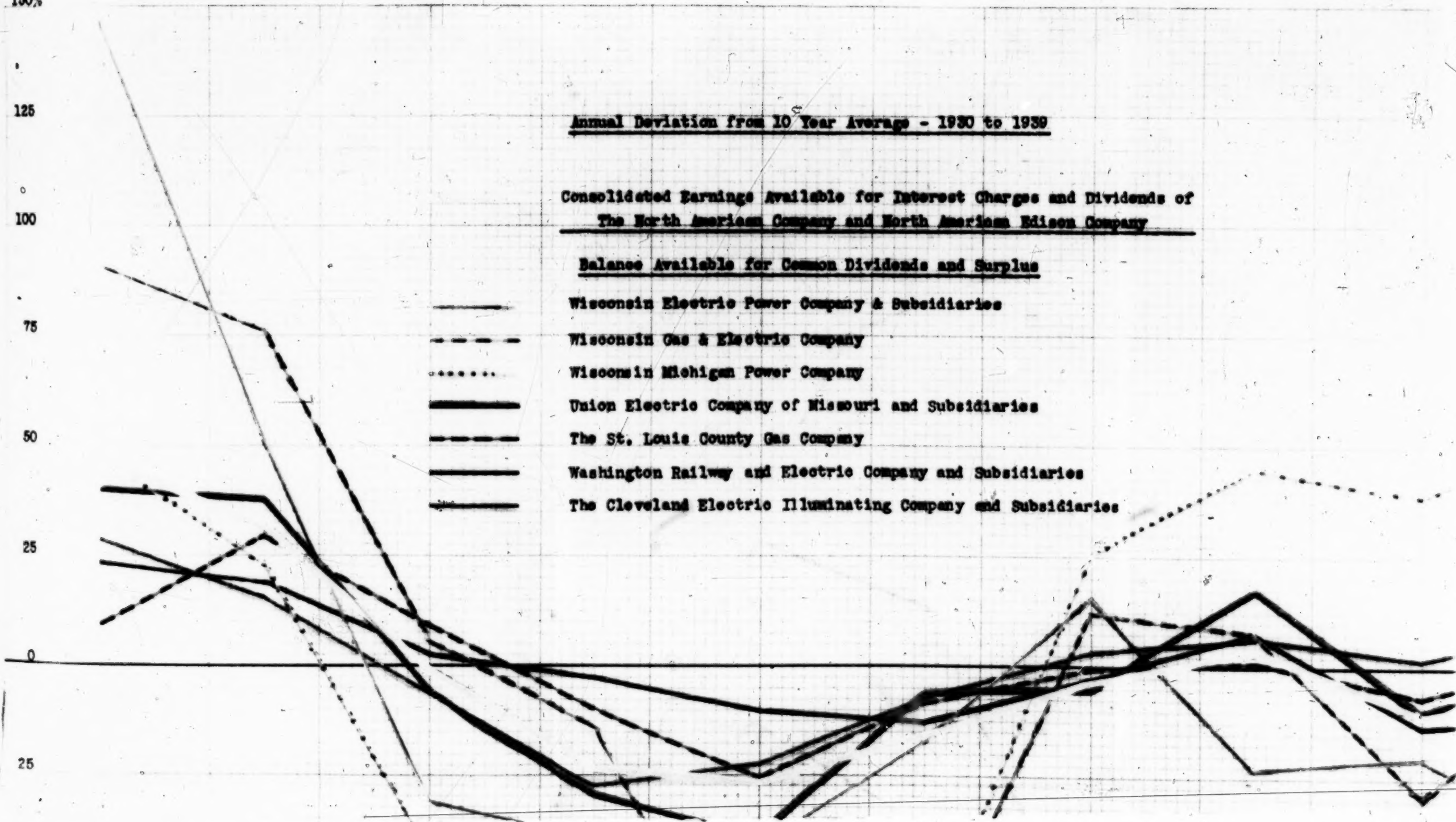
Wisconsin Michigan Power Company

Union Electric Company of Missouri and Subsidiaries

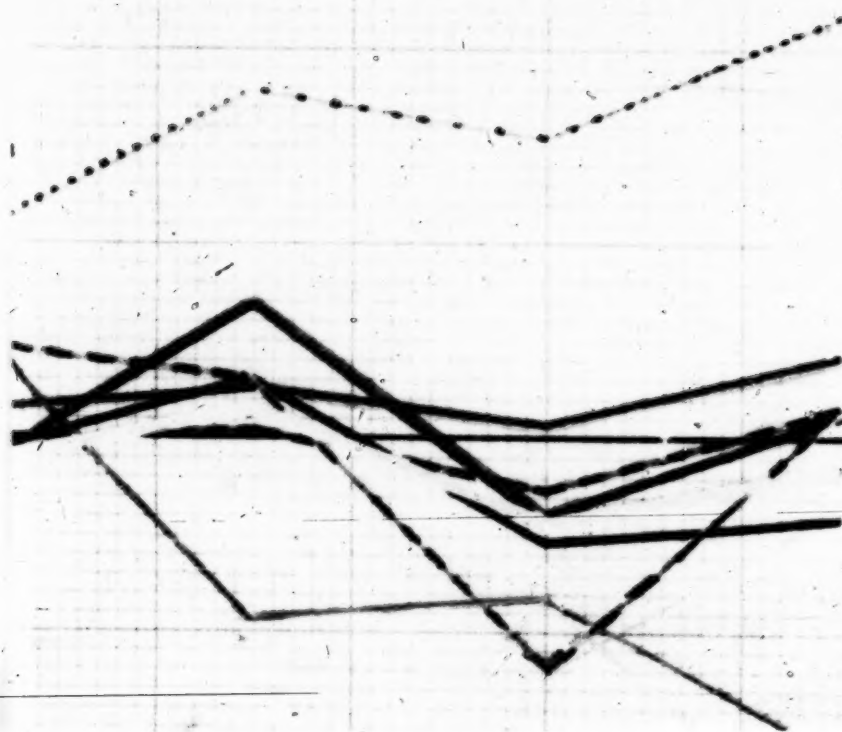
The St. Louis County Gas Company

Washington Railway and Electric Company and Subsidiaries

The Cleveland Electric Illuminating Company and Subsidiaries



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Consolidated Earnings Available for Interest Charges and Dividends of  
The North American Company and North American Edison Company

Balance Available for Common Dividends and Surplus

Wisconsin Electric Power Company & Subsidiaries

Wisconsin Gas & Electric Company

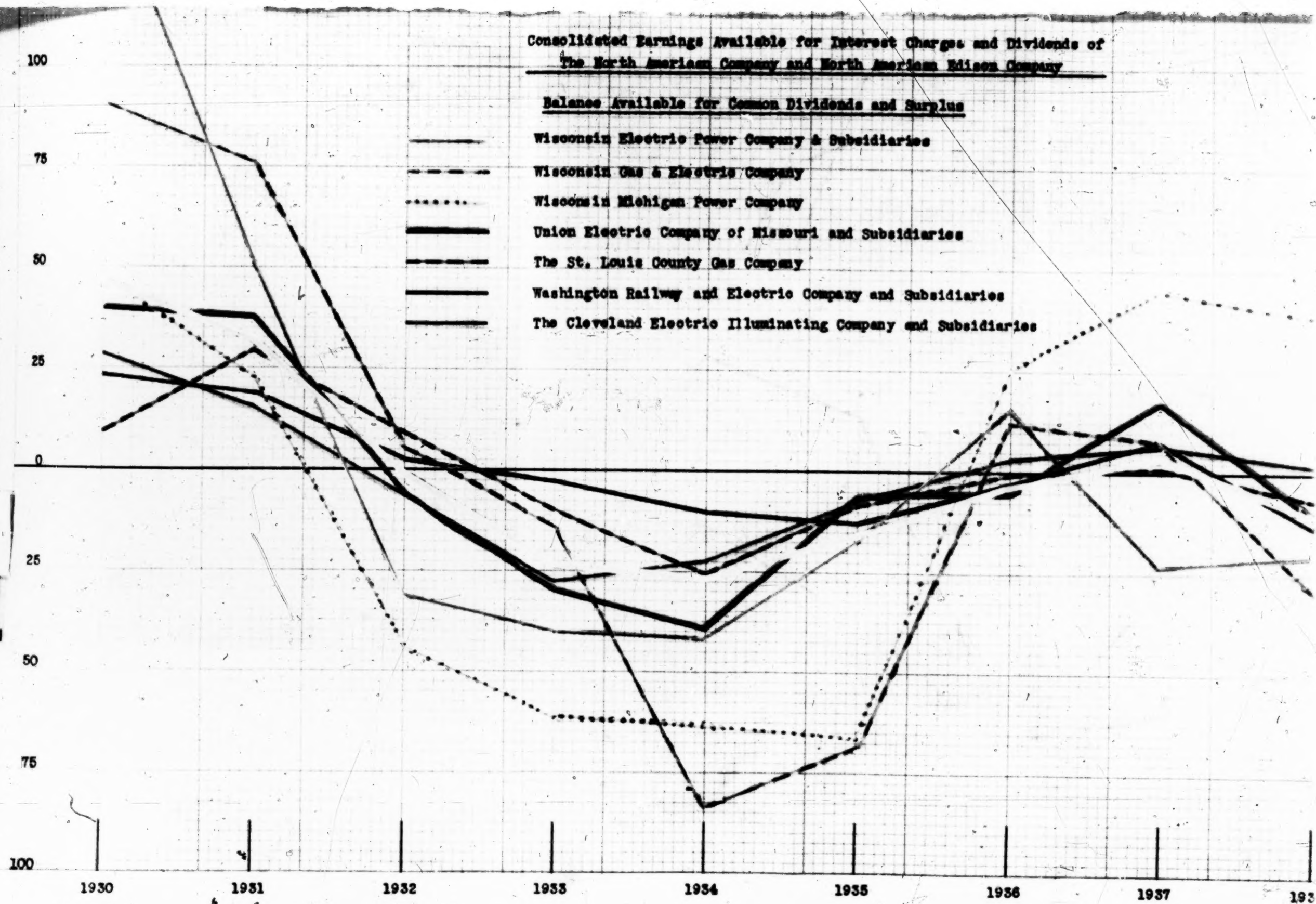
Wisconsin Michigan Power Company

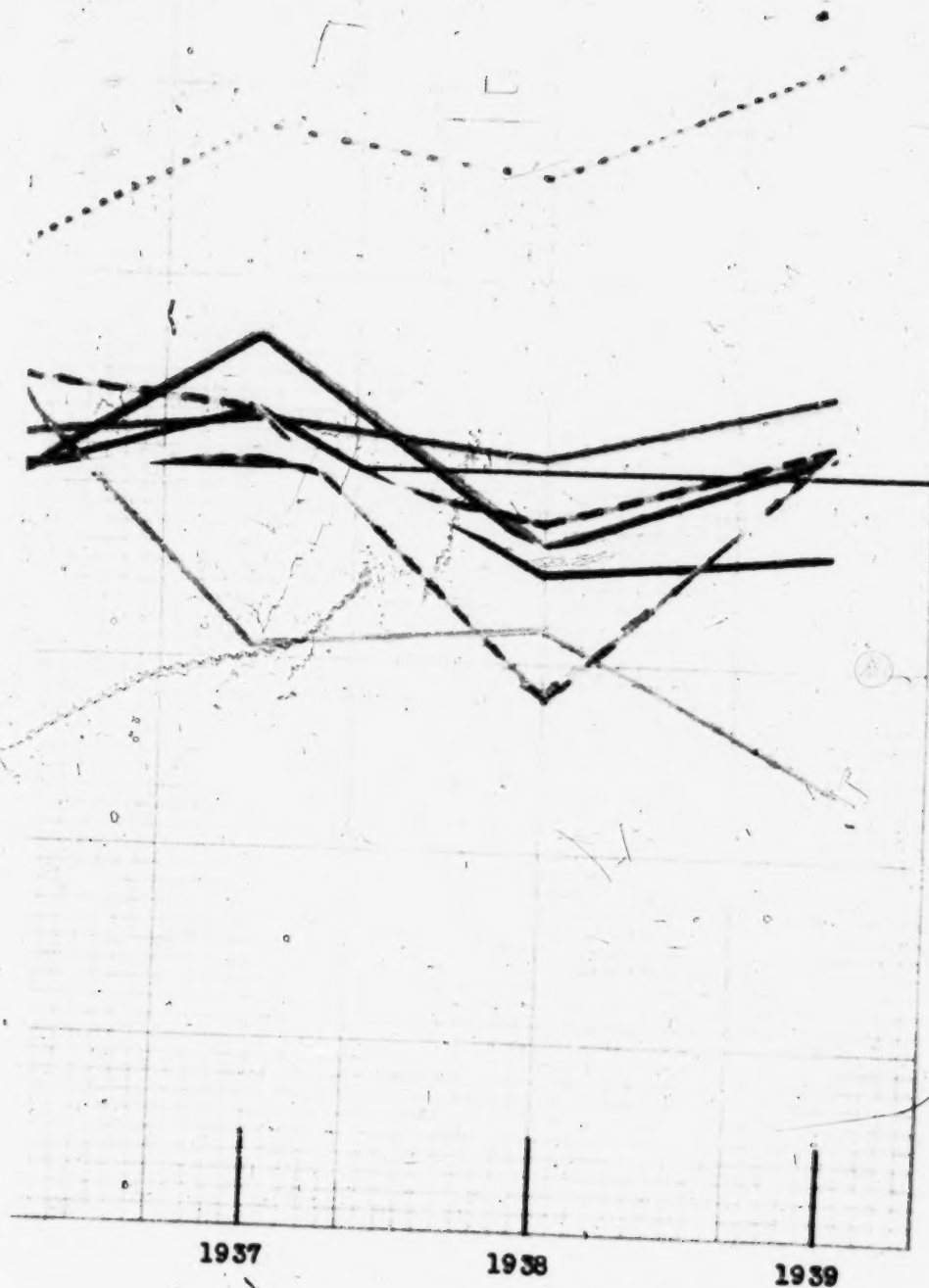
Union Electric Company of Missouri and Subsidiaries

The St. Louis County Gas Company

Washington Railway and Electric Company and Subsidiaries

The Cleveland Electric Illuminating Company and Subsidiaries







## Petitioners' Exhibit No. 130

## SUBSIDIARY COMPANIES OF THE NORTH AMERICAN COMPANY

List of offerings of securities to the public through bankers and to institutional investors from September 14, 1920 to January 18, 1933 (the date of the last such offering prior to the passage of the Securities Act of 1933)

Date of Contract	Name of Company	Issue	Amount	Offering Price to Public	New Indenture or Amendment to Charter	Stock Exchange Listing	Purpose of Issue
9/14/20	The Milwaukee Electric Railway and Light Company	10 Year 8% Equipment Trust Certificate	\$ 1,090,000	\$100.00	New Agreement		New Capital
10/13/20	Wisconsin Electric Power Company	1st Mtge. 7½% Bonds	5,000,000	99.00	New Indenture		New Capital
5/10/21	The Milwaukee Electric Railway and Light Company	Refunding & 1st 7½% Bonds, Series A	5,000,000	95.00	New Indenture		New Capital
10/ 9/22	The Milwaukee Electric Railway and Light Company	Refunding & 1st 5% Bonds, Series B	12,500,000	92.25	New Supplemental	N. Y. S. E.	Refunding Old Bonds, and New Capital
8/29/23	The Milwaukee Electric Railway and Light Company	Refunding & 1st 6% Bonds, Series C	10,000,000	98.56	New Supplemental	N. Y. S. E.	Refunding Old Notes, and New Capital
1/22/24	Union Electric Light and Power Company of Illinois	1st Mtge. 5½% Bonds, Series A	10,000,000	95.75	New Indenture	N. Y. S. E.	New Capital
2/ 2/24	Wisconsin Electric Power Company	1st Mtge. 5% Bonds, Series A	9,000,000	91.25	New Indenture		Refunding Old Bonds, and New Capital
4/29/24	West Kentucky Coal Company	1st Mtge. 7% Bonds, Series A	5,000,000	100.00	New Indenture	N. Y. S. E.	Refunding Old Bonds, and New Capital
10/16/24	The St. Louis County Gas Company	1st Mtge. 5% Bonds, Series A	505,000	94.75	No		New Capital
11/14/24	The Cleveland Electric Illuminating Company	General Mtge. 5% Bonds, Series A	11,500,000	100.00	New Indenture		New Capital
11/26/24	Wisconsin Gas & Electric Company	1st Mtge. 5% Bonds, Series A	1,200,000	97.50	No		New Capital
12/ 8/24	Union Electric Light and Power Company	General Mtge. 5% Bonds, Series A	5,000,000	99.00	New Supplemental		New Capital
9/26/25	West Kentucky Electric Power Company	1st Mtge. 5½% Bonds, Series A	1,000,000	92.50	New Indenture	Boston S. E.	Retirement of Indebtedness
10/ 1/26	The Cleveland Electric Illuminating Company	General Mtge. 5% Bonds, Series B	10,000,000	102.50	New Supplemental		New Capital
10/20/26	San Joaquin Light and Power Corporation	Unifying & Refunding 5% Bonds, Series D	25,000,000	98.50	No		Refunding Old Bonds, and New Capital
4 /4/27	Mississippi River Power Company	5% Debentures	3,000,000	96.25	New Indenture		Refunding Old Debentures and New Capital
6 /8/27	Midland Counties Public Service Company	1st Mtge. 5% Bonds, Series A	2,500,000	96.75	New Supplemental		Refunding and New Capital
6/23/27	Wisconsin Michigan Power Company	1st & Ref. Mtge. 5% Bonds	5,000,000	99.00	New Indenture		Acquisition of Property

## Petitioners' Exhibit No. 130

## SUBSIDIARY COMPANIES OF THE NORTH AMERICAN COMPANY

List of offerings of securities to the public through bankers and to institutional investors from September 14, 1920 to January 18, 1933 (the date of the last such offering prior to the passage of the Securities Act of 1933)

(Continued)

Date of Contract	Name of Company	Issue	Amount	Offering Price to Public	New Indenture or Amendment to Charter	Stock Exchange Listing	Purpose of Issue
7/19/27	Union Electric Light and Power Company	General Mtge. 5% Bonds, Series B	10,000,000	102.50	New Supplemental		New Capital
9/ 1/27	Union Electric Light and Power Company of Illinois	Junior Mtge. Serial Gold Note without interest	4,125,000 (B)	100.00	New Indenture		Acquisition of Property (Venice Plant)
11/ 7/27	The Milwaukee Electric Railway and Light Company	Refunding & 1st Bonds, 5% Series due 10/1/67	2,500,000 (P)	100.00	New Indenture		New Capital
1/21/29	The Milwaukee Electric Railway and Light Company	Refunding & 1st 5% Bonds, Series B	10,000,000	100.25	No		New Capital
1/30/29	Wisconsin Gas & Electric Company	1st Mtge. 5% Bonds, Series A	4,542,000	100.75	No		New Capital
12/17/29	Union Electric Light and Power Company	General Mtge. 5% Bonds, Series B	15,000,000	100.00	No		New Capital
12/19/29	The Milwaukee Electric Railway and Light Company	Refunding & 1st 5% Bonds, Series B	10,000,000	99.25	New Supplemental	N. Y. S. E.	Refunding and New Capital
1/ 9/31	The Milwaukee Electric Railway and Light Company	1st Mtge. 5% Bonds, Series due 1971	15,000,000	100.00	New Supplemental	N. Y. S. E.	Refunding and New Capital
6/24/31	Wisconsin Michigan Power Company	1st Mtge. 4½% Bonds, Series due 1961	5,000,000	100.50	New Supplemental		Refunding and New Capital
7/20/32	Union Electric Light and Power Company	General Mtge. Bonds, 5% Series due 4/1/57	15,000,000	94.00	New Supplemental	N. Y. S. E.	New Capital
10/10/32	Union Electric Light and Power Company	General Mtge. Bonds, 5% Series due 4/1/57	7,500,000	99.50	No	N. Y. S. E.	Refunding and New Capital
1/17/33	Union Electric Light and Power Company	General Mtge. Bonds, 4½% Series due 5/1/57	11,250,000	97.25	New Supplemental		Refunding Old Bonds & Notes

(B) Issued to vendors of the property acquired.

(P) Sold privately to institutional purchasers.

## Petitioners' Exhibit No. 130

## SUBSIDIARY COMPANIES OF THE NORTH AMERICAN COMPANY

List of offerings of securities to the public through bankers and to institutional investors from July 15, 1935  
(the date of the first offering subsequent to the passage of the Securities Act of 1933) to date

Date of Contract	Name of Company	Issue	Amount	Offering Price to Public	Number of Principal Underwriters	New Indenture or Amendment to Charter	Stock Exchange Listing	Purpose of Issue	D. Co
7/15/35	The Cleveland Electric Illuminating Company	1st Mtge. Bonds, 3¾% Series due 1965	\$40,000,000	\$102.50	9	New Indenture	N. Y. S. E.	Refunding Old Bonds	10/
10/29/35	The Cleveland Electric Illuminating Company	\$4.50 Preferred Stock, no par value	152,817 shs. (See Note A)	102.75	10	Charter Amended	N. Y. S. E.	Refunding Old Preferred	11/
11/21/35	The Kansas Power and Light Company	1st Mtge. Bonds, 4½% Series due 1965	30,000,000	103.00	13	New Indenture		Refunding Bonds, Subsidiary Bonds & Pfd. and Purchase of Property	2/
11/26/35	Missouri Power & Light Company	1st Mtge. 4¼% Bonds	800,000	—	P	No		Refunding Old Bonds	7/
11/14/35	Wisconsin Electric Power Company	1st Mtge. 4% Serial Bonds, Series B	7,500,000	100.00	P	New Supplemental		New Capital	7/
11/27/35	Wisconsin Electric Power Company	Serial Notes, 1½% to 3½%	2,500,000	—	P	No		Refunding Old Bonds and New Capital	7/
4/20/36	Wisconsin Gas & Electric Company	1st Mtge. Bonds, 3½% Series due 1966	10,500,000	101.50	12	New Indenture		Refunding Old Bonds	7/
May 1936	Capital Transit Company	Serial 5% Notes	300,000	—	L	Agreement		Refunding Old Bonds	7/
6/25/36	Potomac Electric Power Company	1st Mtge. Bonds, 3¾% Series due 1966	15,000,000	104.00	8	New Indenture	N. Y. S. E.	Acquisition of Property	11/
7/31/36	Wisconsin Michigan Power Company	1st Mtge. Bonds, 3¾% Series due 1961	10,500,000	103.00	12	New Indenture		Refunding and New Capital	11/
12/15/36	Missouri Power & Light Company	1st Mtge. Bonds, 3¾% Series due 1966	9,000,000	102.00	12	New Indenture		Refunding Old Bonds	12/
12/15/36	Missouri Power & Light Company	\$6 Preferred Stock, no par value	15,000 shs.	101.50	12	No		Refunding Old Bonds, and deposit under mortgage for new additions	11/
2/26/37	Capital Transit Company	Purchase Money Chattel Trust 4% Notes	1,507,000	—	L	Agreement		Purchase of Equipment	2/
6/28/37	Union Electric Company of Missouri	1st Mtge. & Coll. Trust Bonds, 3¾% Series due 1962	80,000,000	100.00	80	New Indenture	N. Y. S. E.	Refunding Bonds and Subsidiary Preferred	4/
6/28/37	Union Electric Company of Missouri	3% Notes	15,000,000	100.50	11	New Indenture			4/
11/17/37	Potomac Electric Power Company	1st Mtge. Bonds, 3¾% Series due 1966	5,000,000	—	P	No	N. Y. S. E.	New Capital	7/
11/17/37	Capital Transit Company	Installment 5% Note	99,000	—	L	Agreement		Purchase of Equipment	8/
12/ 2/37	Wisconsin Michigan Power Company	1st Mtge. 3¾% Bonds	2,000,000	—	P	New Supplemental		New Capital	9/
12/15/37	Wisconsin Michigan Power Company	3% Promissory Notes to Secure Bank Loan	700,000	—	L	No		New Capital	No
2/25/38	Capital Transit Company	Purchase Money Chattel Trust, 4% Notes	991,000	—	L	Agreement		Purchase of Equipment	
10/ 4/38	Wisconsin Electric Power Company	3.40% * Promissory Notes to Secure Bank Loan	\$14,500,000	—	L	Agreement		Refunding Old Bonds	



## Petitioners' Exhibit No. 130

## SUBSIDIARY COMPANIES OF THE NORTH AMERICAN COMPANY

List of offerings of securities to the public through bankers and to institutional investors from July 15, 1935  
(the date of the first offering subsequent to the passage of the Securities Act of 1933) to date

Date of Contract	Name of Company	Issue	Amount	Offering Price to Public	Number of Principal Underwriters	New Indenture or Amendment to Charter	Stock Exchange Listing	Purpose of Issue
10/25/38	Wisconsin Electric Power Company	1st Mtge. Bonds, 3½% Series due 1968	55,000,000	\$103.50	76	New Indenture	N. Y. S. E.	Refunding Old Bonds
11/27/38	Union Electric Company of Missouri	\$5 Preferred Stock, no par value	130,000 shs.	106.00	41	Charter Amended	N. Y. S. E.	Refunding Old Preferred
2/15/39	Capital Transit Company	Purchase Money Chattel Trust 4% Notes	983,000	100.00	L	Agreement		Purchase of Equipment
7/14/39	Wisconsin Gas & Electric Company	2¾% Promissory Notes to Secure Bank Loan	1,500,000	100.00	L	Contract		Refunding Old Preferred
7/15/39	Wisconsin Gas & Electric Company	Preferred Stock, 4½% Series, \$100 par value	33,425 shs.	100.00	10	Charter Amended		Refunding Old Preferred
7/19/39	The Kansas Power and Light Company	2¾% Promissory Notes to Secure Bank Loan	3,500,000	100.00	L	Contract		Refunding Old Bonds
7/24/39	The Kansas Power and Light Company	1st Mtge. Bonds, 3½% Series due 1969	26,500,000	108.50	36	New Indenture		Refunding Old Bonds
11/10/39	60 Broadway Building Corporation	3½% Promissory Note (Secured)	2,000,000	100.00	L	No		Refunding
11/7/39	Wisconsin Michigan Power Company	2½% Promissory Notes to Secure Bank Loan	620,000	100.00	3	Contract		Refunding Old Notes
12/6/39	Wisconsin Michigan Power Company	Preferred Stock, 4½% Series, \$100 par value	40,000 shs.	100.00	12	Charter Amended		Refunding Old Preferred
11/30/39	Potomac Electric Power Company	1st Mtge. Bonds, 3¼ Series due 1974	5,000,000	105.31	P	New Supplemental		New Capital
2/23/40	Capital Transit Company	Purchase Money Chattel Trust 2% to 3% Notes	576,000	100.00	L	Agreement		Purchase of Equipment
4/15/40	The Kansas Power and Light Company	Preferred Stock, 4½% Series, \$100 par value	139,169 shs.	103.00	40	Charter Amended		Refunding Old Preferred
4/20/40	Wisconsin Electric Power Company	Preferred Stock, 4¾% Series, \$100 par value (Note B)	262,098 shs.	100.00	13	Charter Amended		Exchange for Old Preferred
7/10/40	The Cleveland Electric Illuminating Company	1st Mtge. Bonds, 3% Series due 1970	50,000,000	105.50	85	New Indenture	N. Y. S. E.	Refunding Old Bonds and New Capital
8/2/40	Potomac Electric Power Company	1st Mtge. Bonds, 3¼% Series due 1975	10,000,000	3,334,000 @ 108.804039 3,332,000 @ 108.766590 3,334,000 @ 108.729525	P	New Supplemental		New Capital
9/9/40	Capital Transit Company	Purchase Money Chattel Trust 2% to 3% Notes	1,636,000	100.00	L	Agreement		Purchase of Equipment

## NOTES:

A—In addition to 152,817 shares offered by the company, North American Edison Company offered 82,408.4 shares received on reclassification.

B—Offering included 262,098 shares of Common Stock.

\*—Amended March 6, 1940 to reduce 3.40% to 2½%.

P—Sold privately to institutional purchasers.

L—Issued to Banks to secure loan.



## Petitioners' Exhibit No. 141

Sheet A

## THE NORTH AMERICAN COMPANY

COMPARISON OF AVERAGE RESIDENTIAL MONTHLY BILLS IN CITIES OF 50,000 POPULATION (a)  
AND MORE SERVED BY PRIVATELY OWNED ELECTRIC UTILITIES  
1924 - 1941NORTH AMERICAN SYSTEM COMPARED WITH AVERAGES OF SUBSIDIARIES OF ALL OTHER REGISTERED HOLDING COMPANIES  
AND AVERAGES OF COMPANIES NOT SUBSIDIARIES OF REGISTERED HOLDING COMPANIES (b)

DATE	25 KWH PER MONTH			100 KWH PER MONTH			250 KWH PER MONTH		
	North American System	Subsidiaries of All Other Registered Holding Companies	Companies Not Subsidiaries of Registered Holding Cos.	North American System	Subsidiaries of All Other Registered Holding Companies	Companies Not Subsidiaries of Registered Holding Cos.	North American System	Subsidiaries of All Other Registered Holding Companies	Companies Not Subsidiaries of Registered Holding Cos.
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Oct. 1, 1924(c).....	\$1.74	\$2.01	\$1.98	\$5.28	\$6.21	\$6.79	\$10.39	\$12.57	\$16.57
Oct. 1, 1925.....	1.63	2.01	1.90	4.92	6.09	6.52	10.25	12.26	15.85
Oct. 1, 1926.....	1.60	1.99	1.89	4.81	5.85	6.44	9.92	11.59	15.70
Oct. 1, 1927.....	1.56	1.94	1.83	4.70	5.51	6.25	9.80	10.68	15.13
Oct. 1, 1928.....	1.53	1.90	1.75	4.42	5.37	6.00	8.83	10.25	14.18
Oct. 1, 1929.....	1.50	1.86	1.73	4.29	5.04	5.85	8.60	9.53	13.70
Oct. 1, 1930.....	1.45	1.83	1.71	4.07	4.86	5.73	8.13	9.25	13.32
Oct. 1, 1931.....	1.42	1.80	1.73	3.98	4.88	5.02	7.86	9.35	11.06
Oct. 1, 1932.....	1.41	1.76	1.72	3.92	4.77	4.98	7.80	9.09	10.96
Oct. 1, 1933.....	1.35	1.71	1.69	3.80	4.68	4.93	7.69	8.85	10.86
Jan. 1, 1935(d).....	1.20	1.62	1.73	3.67	4.57	5.01	7.44	8.11	10.82
Jan. 1, 1936.....	1.16	1.52	1.68	3.61	4.22	4.57	7.29	7.76	8.44
Jan. 1, 1937.....	1.16	1.44	1.57	3.58	4.12	4.45	7.22	7.53	7.97
Jan. 1, 1938.....	1.16	1.41	1.57	3.44	4.03	4.44	6.47	7.37	7.96
Jan. 1, 1939.....	1.16	1.36	1.56	3.39	3.93	4.41	6.35	7.17	7.91
Jan. 1, 1940.....	1.16	1.31	1.53	3.37	3.81	4.37	6.34	6.90	7.84
Jan. 1, 1941(e).....	1.14	1.31	1.49	3.18	3.84	4.26	6.11	7.01	7.64

a—Based on latest Census data for each year shown.

b—The Detroit Edison Company and Pacific Gas &amp; Electric Company not included; status not finally determined.

c—The average bills for the years 1924 to 1933 are for 141 cities of 50,000 population and more, served by privately owned utilities.

d—The average bills for 1935 to 1940 are for 178 cities of 50,000 population and more, served by privately owned utilities.

e—The average bills for 1941 are for 186 cities of 50,000 population and more, served by privately owned utilities.

April 8, 1941

## Petitioners' Exhibit No. 141

Sheet B

## THE NORTH AMERICAN COMPANY

COMPARISON OF AVERAGE RESIDENTIAL MONTHLY BILLS IN CITIES OF 50,000 POPULATION (a)  
AND MORE SERVED BY PRIVATELY OWNED ELECTRIC UTILITIES  
1924 - 1941NORTH AMERICAN SYSTEM COMPARED WITH AVERAGES OF SUBSIDIARIES OF ALL OTHER REGISTERED HOLDING COMPANIES  
AND AVERAGES OF COMPANIES NOT SUBSIDIARIES OF REGISTERED HOLDING COMPANIES (b)  
AVERAGE MONTHLY BILL IN PERCENTAGE OF AVERAGE FOR COMPANIES  
IN NORTH AMERICAN SYSTEM

DATE	25 KWH PER MONTH			100 KWH PER MONTH			250 KWH PER MONTH		
	North American System	Subsidiaries of All Other Registered Holding Companies	Companies Not Subsidiaries of Registered Holding Companies	North American System	Subsidiaries of All Other Registered Holding Companies	Companies Not Subsidiaries of Registered Holding Companies	North American System	Subsidiaries of All Other Registered Holding Companies	Companies Not Subsidiaries of Registered Holding Companies
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Oct. 1, 1924(c).....	100%	116%	114%	100%	118%	129%	100%	121%	159%
Oct. 1, 1925.....	100	123	117	100	124	133	100	120	155
Oct. 1, 1926.....	100	124	118	100	122	134	100	117	158
Oct. 1, 1927.....	100	124	117	100	117	133	100	109	154
Oct. 1, 1928.....	100	124	114	100	121	136	100	116	161
Oct. 1, 1929.....	100	124	115	100	117	136	100	111	159
Oct. 1, 1930.....	100	126	118	100	119	141	100	114	164
Oct. 1, 1931.....	100	127	122	100	123	126	100	119	141
Oct. 1, 1932.....	100	125	122	100	122	127	100	117	141
Oct. 1, 1933.....	100	127	125	100	123	130	100	115	141
Jan. 1, 1935(d).....	100	135	144	100	119	137	100	109	145
Jan. 1, 1936.....	100	131	145	100	117	127	100	106	116
Jan. 1, 1937.....	100	124	135	100	115	124	100	104	110
Jan. 1, 1938.....	100	122	135	100	117	129	100	114	123
Jan. 1, 1939.....	100	117	134	100	116	130	100	113	125
Jan. 1, 1940.....	100	113	132	100	113	130	100	109	124
Jan. 1, 1941(e).....	100	115	131	100	121	134	100	115	125

a—Based on latest Census data for each year shown.

b—The Detroit Edison Company and Pacific Gas &amp; Electric Company not included; status not finally determined.

c—The average bills for the years 1924 to 1933 are for 141 cities of 50,000 population and more, served by privately owned utilities.

d—The average bills for 1935 to 1940 are for 178 cities of 50,000 population and more, served by privately owned utilities.

e—The average bills for 1941 are for 186 cities of 50,000 population and more, served by privately owned utilities.

April 8, 1941

## Petitioners' Exhibit No. 141

Sheet C

## THE NORTH AMERICAN COMPANY

COMPARISON OF AVERAGE RESIDENTIAL MONTHLY ELECTRIC BILLS IN CITIES OF 50,000 POPULATION AND MORE (a)  
JANUARY 1, 1941

NORTH AMERICAN SYSTEM COMPARED WITH CERTAIN OTHER ELECTRIC SYSTEMS NOT SUBSIDIARIES OF REGISTERED HOLDING COMPANIES (b)

	Number of Cities of 50,000 Population and More	Aggregate Population in Cities of 50,000 Population and More (Census, 1940)	AVERAGE MONTHLY BILL (Weighted by population)			PER CENT RELATIONSHIP TO AVERAGE BILLS OF NORTH AMERICAN SYSTEM		
			25 KWH	100 KWH	250 KWH	25 KWH	100 KWH	250 KWH
NORTH AMERICAN SYSTEM (d).....	12	3,242,400	\$1.14	\$3.18	\$6.11	% 100	% 100	% 100
OTHER SYSTEMS NOT SUBSIDIARIES OF REGISTERED HOLDING COMPANIES								
Boston Edison Company (e).....	3	942,866	\$1.55	\$4.90	\$9.40	136	154	154
Commonwealth Edison Co. (f).....	4	3,592,924	1.35	3.68	6.68	118	116	109
Consolidated Edison Co. of N. Y., Inc. (g).....	4	7,548,922	1.65	4.72	8.00	145	148	131
Consolidated Gas Elec. Lt. & Pr. Co. of Baltimore (h).....	1	859,100	1.06	3.78	7.68	93	119	126
Duke Power Company (i).....	3	240,033	1.33	3.20	6.20	117	101	101
Eastern Gas and Fuel Associates (j).....	1	770,816	1.55	4.90	9.40	136	154	154
Hartford Electric Light Co. (k).....	1	166,267	1.75	3.62	6.95	154	114	114
Iowa Electric Light & Power Co. (l).....	1	62,120	1.25	4.48	8.23	110	141	135
Iowa Public Service Co. (m).....	1	51,743	1.25	4.30	8.30	110	135	136
Lynn Gas & Electric Co. (n).....	1	98,123	1.53	4.28	8.53	134	135	140
Portland General Electric Co. (o).....	1	305,394	.87	3.00	5.30	76	94	87
Public Service Corporation of New Jersey (p).....	12	1,593,887	1.70	4.35	8.60	149	137	141
Queens Borough Gas & Electric Co. (q).....	1	1,297,634	1.57	4.67	8.67	138	147	142
Sioux City Gas & Electric Co. (r).....	1	82,364	1.18	4.11	7.91	104	129	129
Southern California Edison Co. Ltd. (s).....	2	217,771	1.25	3.66	6.70	110	115	110
Tampa Electric Co. (t).....	1	108,391	1.99	5.54	9.19	175	174	150
United Illuminating Co. (u).....	2	307,726	1.31	3.88	6.88	115	122	113
Western Massachusetts Companies (v).....	1	149,554	1.38	4.08	7.83	121	128	128
WEIGHTED AVERAGE, EIGHTEEN SYSTEMS ABOVE.....	39 (c)	16,220,297 (c)	\$1.49	\$4.26	\$7.64	131%	134%	125%

a—Based on monthly residential bills as published in Federal Power Commission "Typical Electric Bills—Cities of 50,000 Population and More—1941"

b—The Detroit Edison Co. and Pacific Gas & Electric Co. not included; status not finally determined.

c—Excluding duplications.

Cities of 50,000 population and more:

d—St. Louis, Mo., East St. Louis, Ill., Milwaukee, Racine, Wis., Topeka, Kan., Decatur, Ill., Des Moines, Ia., Cleveland, Lakewood and Cleveland Heights, Ohio, Washington, D. C., Arlington County, Va.

e—Boston, Somerville and Newton, Mass.

f—Chicago, Cicero, Evanston and Oak Park, Ill.

g—New York City, Yonkers, Mt. Vernon and New Rochelle, N. Y.

h—Baltimore, Md.

i—Charlotte, Winston-Salem, and Greensboro, N. C.

j—Boston, Mass. (Serves minority of customers)

k—Hartford, Conn.

l—Cedar Rapids, Ia.

m—Waterloo, Ia.

n—Lynn, Mass.

o—Portland, Ore. (Serves majority of customers)

p—Newark, Jersey City, Paterson, Trenton, Camden, Elizabeth, Bayonne, East Orange, Passaic, Union City, Irvington, Hoboken, N. J.

q—New York, N. Y. (Portion of Queens County)

r—Sioux City, Ia.

s—Long Beach and Santa Monica, Cal.

t—Tampa, Fla.

u—New Haven and Bridgeport, Conn.

v—Springfield, Mass.

April 8, 1941

# MAJOR GEOGRAPHIC REGIONS OF THE UNITED STATES

AFTER M. C. STARK AND D. S. WHITTLESEY



*Prepared in Office of The National Resources Board*

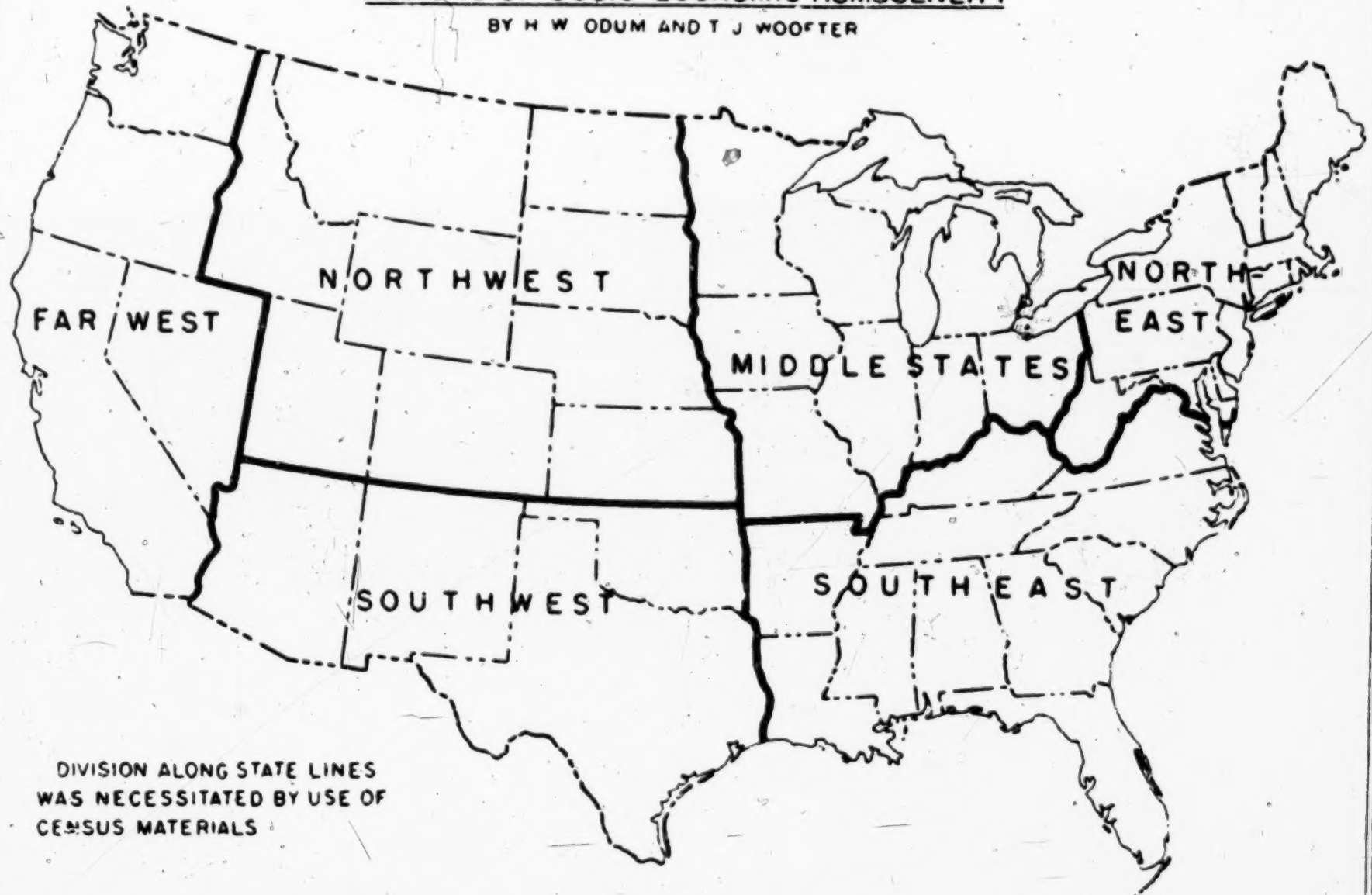
MAP 1

MAP 1: From "Regional Factors in National Planning and Development" p. 177.



REGIONS OF SOCIO-ECONOMIC HOMOGENEITY

BY H W ODUM AND T J WOOFER



DIVISION ALONG STATE LINES  
WAS NECESSITATED BY USE OF  
CENSUS MATERIALS

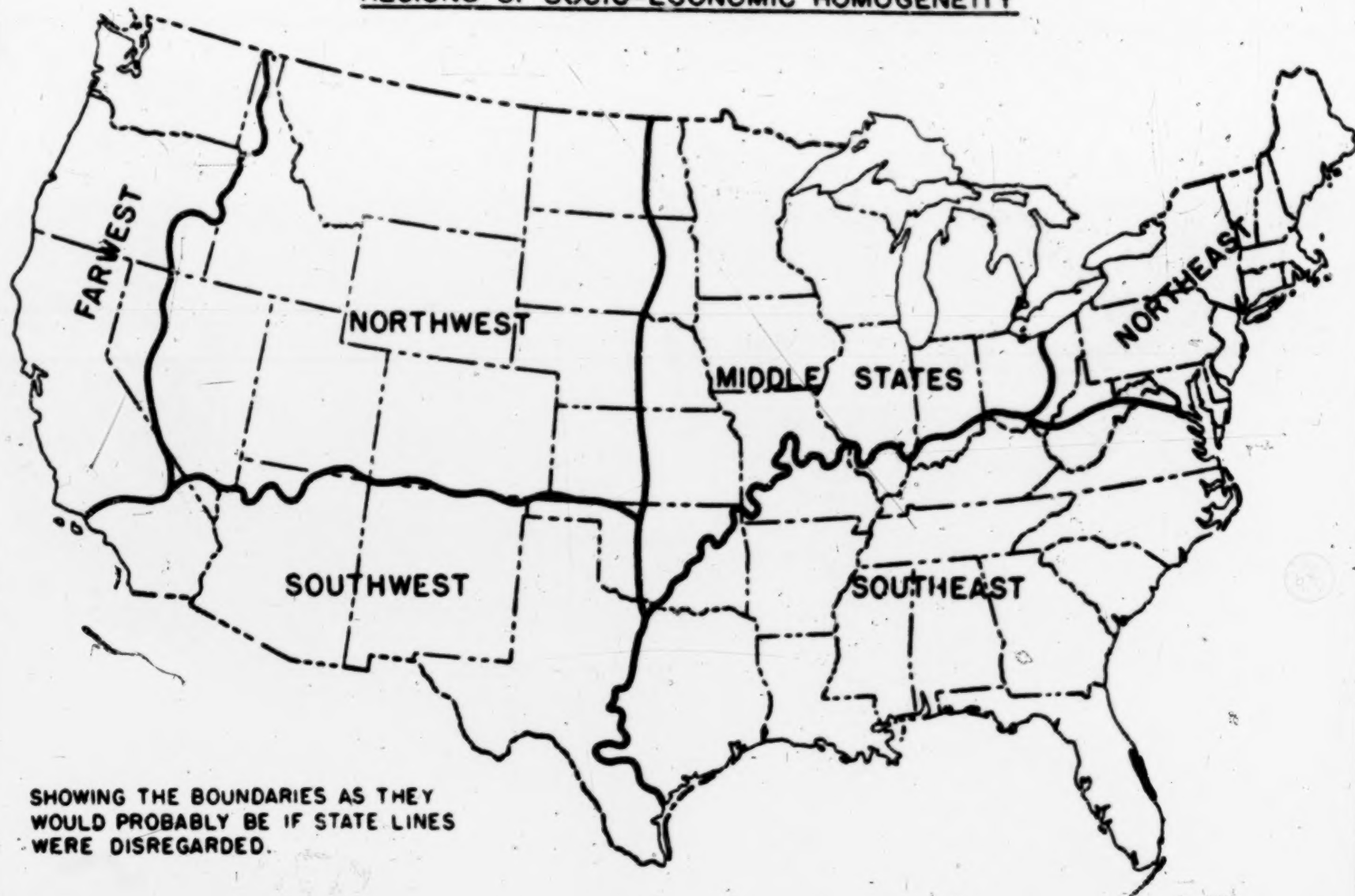
*Prepared in Office of the National Resources Board*

C

MAP 2

MAP 2: From "Regional Factors in National Planning and Development" p. 177.

REGIONS OF SOCIO-ECONOMIC HOMOGENEITY



SHOWING THE BOUNDARIES AS THEY  
WOULD PROBABLY BE IF STATE LINES  
WERE DISREGARDED.

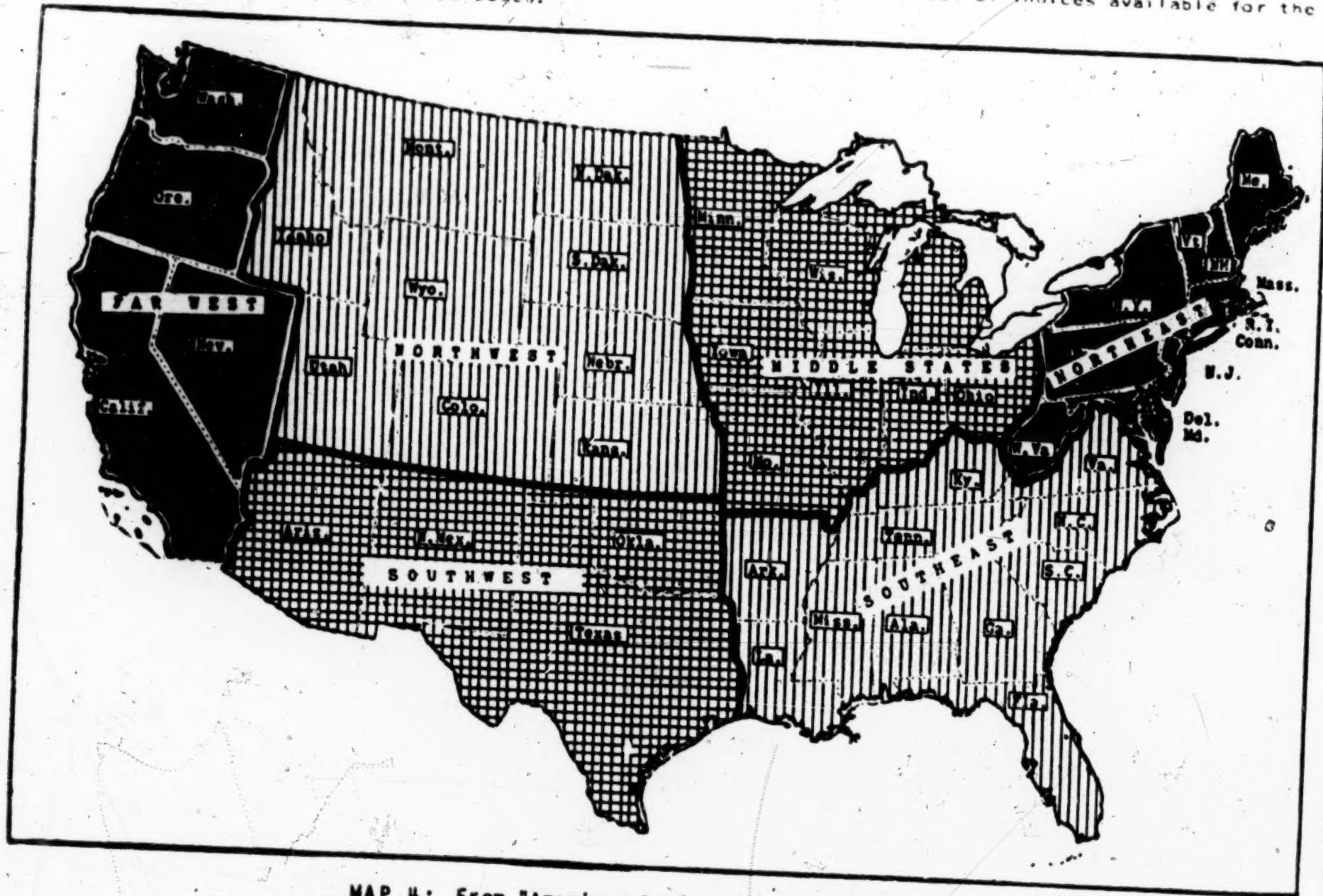
*Prepared in Office of The National Sciences Board*

D

MAP 3

MAP 3: From "Regional Factors in National Planning and Development" p. 177.

"The Six Major Societal Group-of-States Regions utilized in American Regionalism as approximating the largest available degree of homogeneity measured by the largest number of indices available for the largest possible number of purposes."

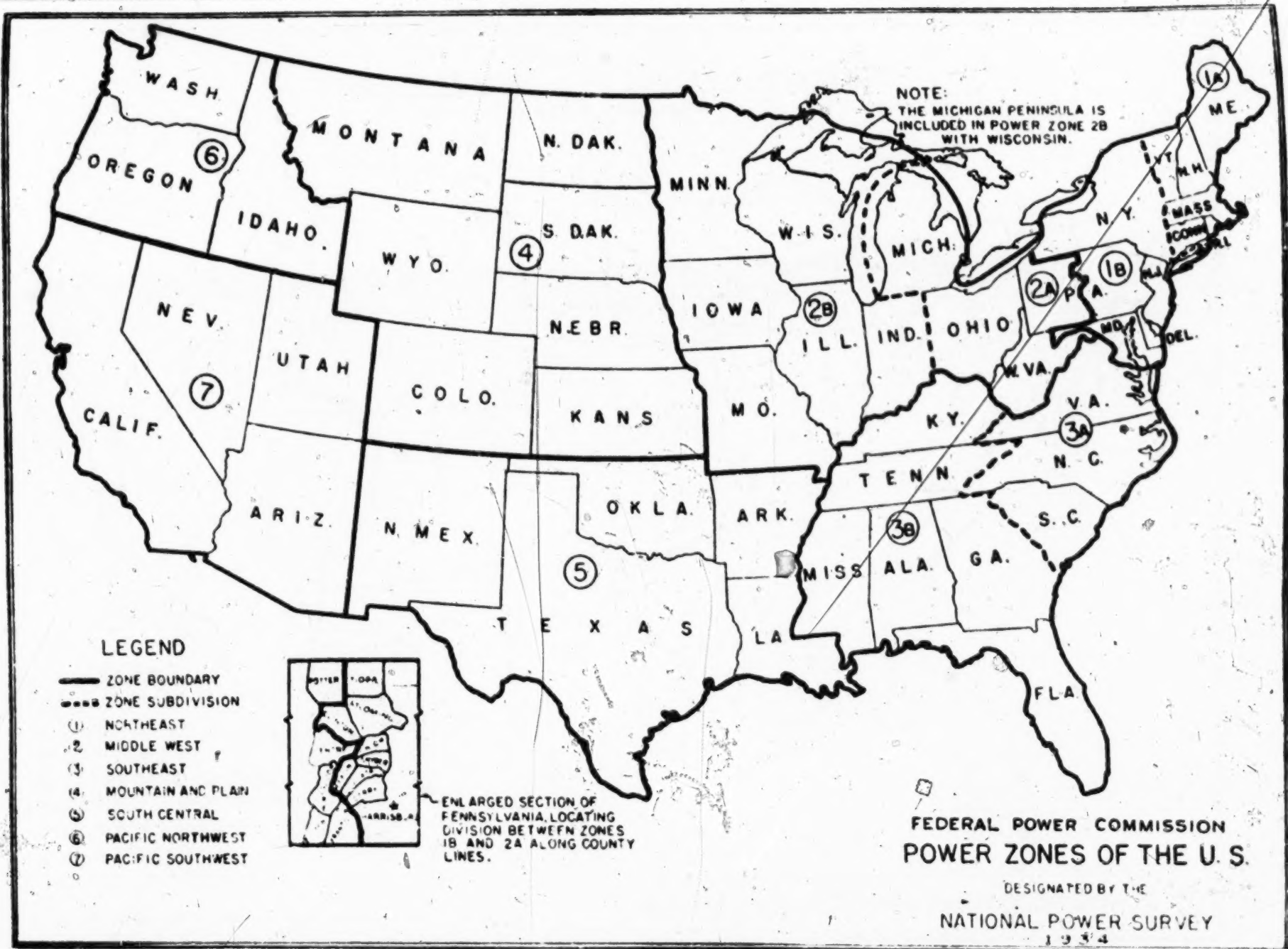


MAP 4: From "American Regionalism" p. 84 (Top).





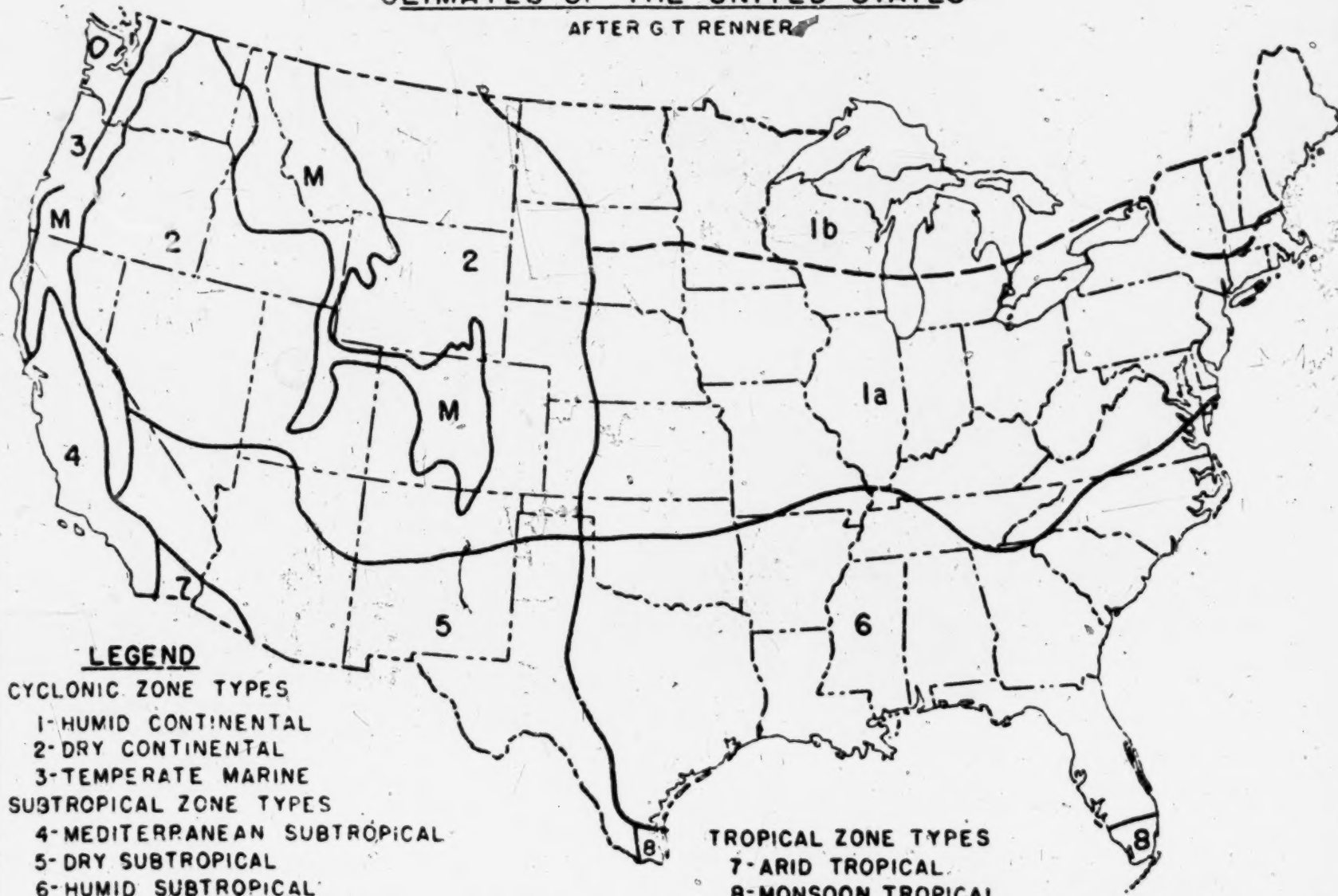




MAP 6: From "National Power Survey, Interim Report, Power Series No. 1, 1935" p. 3.

# CLIMATES OF THE UNITED STATES

AFTER G T RENNER



## LEGEND

### CYCLONIC ZONE TYPES

1-HUMID CONTINENTAL

2-DRY CONTINENTAL

3-TEMPERATE MARINE

### SUBTROPICAL ZONE TYPES

4-MEDITERRANEAN SUBTROPICAL

5-DRY SUBTROPICAL

6-HUMID SUBTROPICAL

### TROPICAL ZONE TYPES

7-ARID TROPICAL

8-MONSOON TROPICAL

M--HIGHLAND CLIMATES UNDIFFERENTIATED

Prepared in Office of The National Resources Board

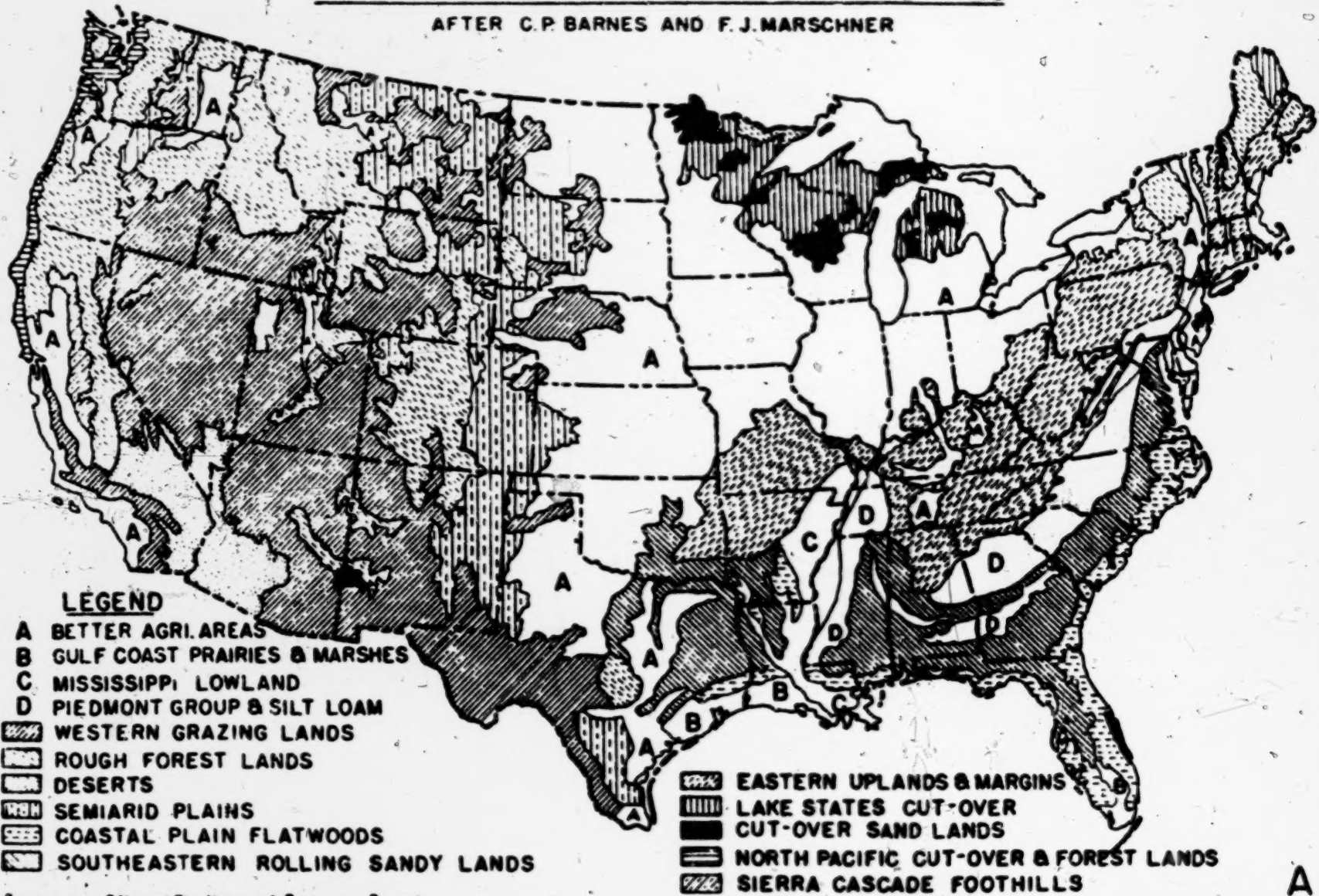
C

MAP 7

MAP 7: From "Regional Factors in National Planning and Development" p. 171 (C)

# NATURAL LAND AREAS OF THE UNITED STATES

AFTER C.P. BARNES AND F.J. MARSCHNER



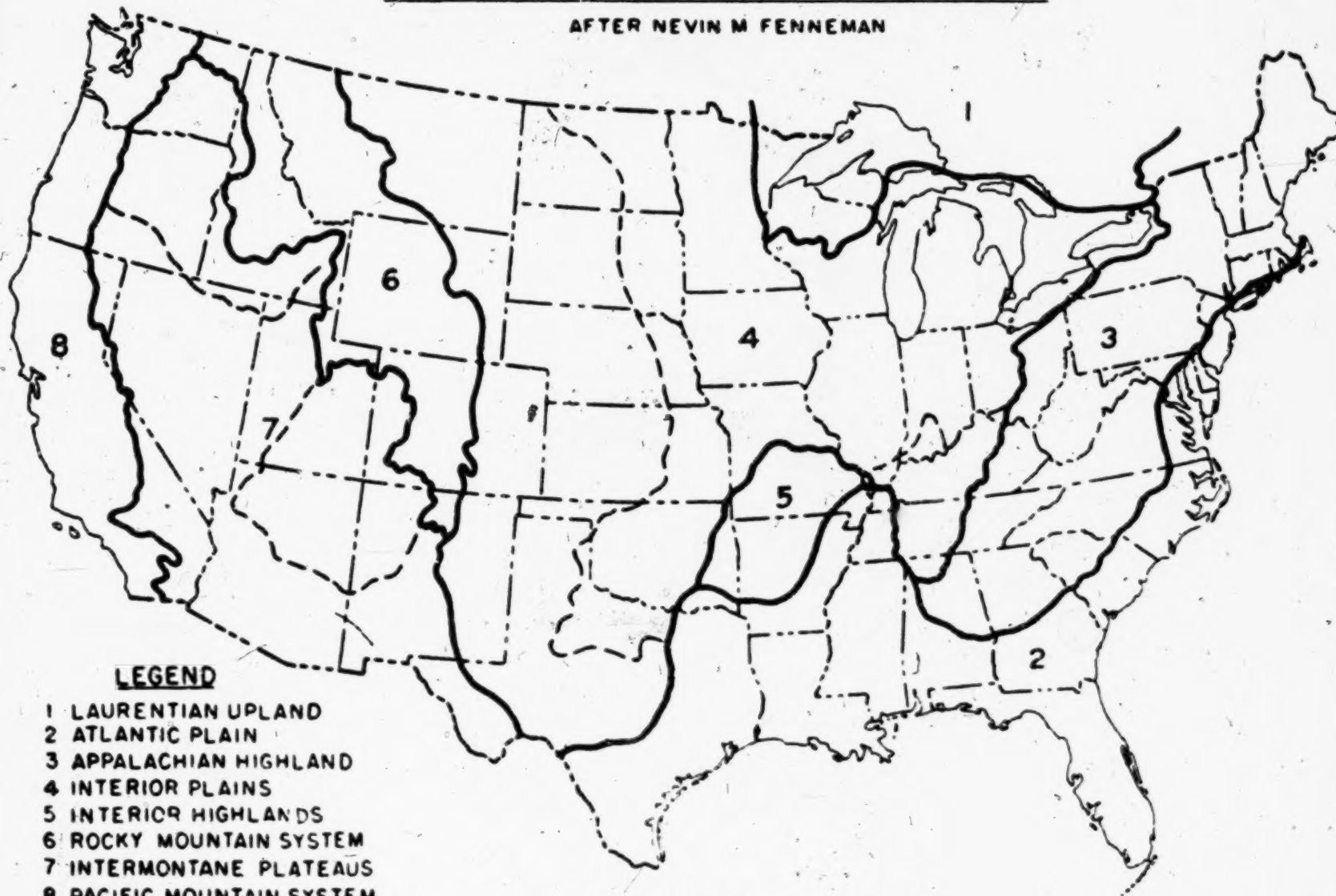
Prepared in Office of The National Resources Board

MAP 8

MAP 8: From "Regional Factors in National Planning and Development" p. 176 (A)

# PHYSICAL DIVISIONS OF THE UNITED STATES

AFTER NEVIN M FENNEMAN



## LEGEND

- 1 LAURENTIAN UPLAND
- 2 ATLANTIC PLAIN
- 3 APPALACHIAN HIGHLAND
- 4 INTERIOR PLAINS
- 5 INTERIOR HIGHLANDS
- 6 ROCKY MOUNTAIN SYSTEM
- 7 INTERMONTANE PLATEAUS
- 8 PACIFIC MOUNTAIN SYSTEM

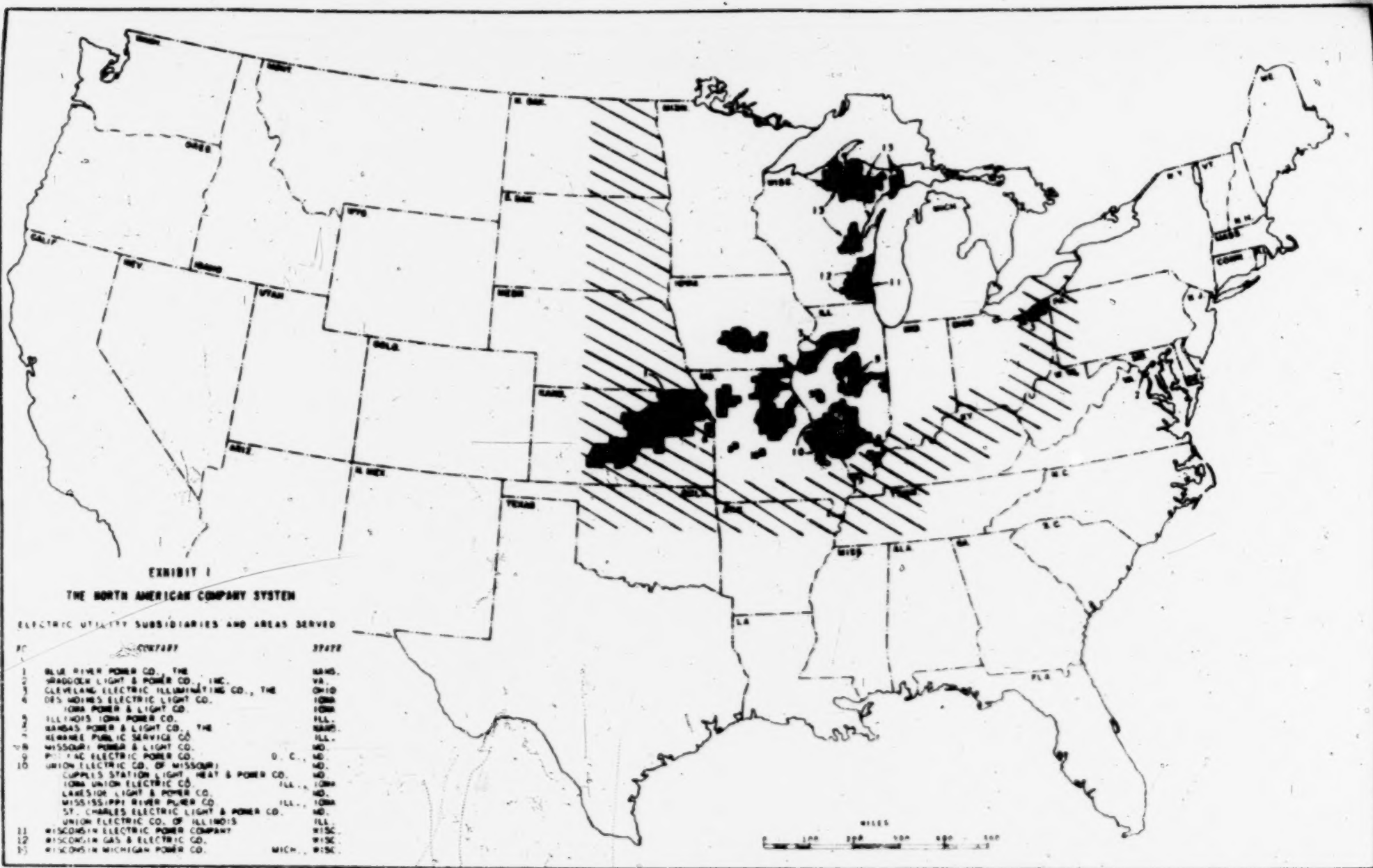
*Prepared in Office of The National Resources Board*

MAP 9

A

MAP 9: From "Regional Factors in National Planning and Development" p. 171 (A)





**MAP 10: Map of North American Electric Utility Properties Accompanying SEC Order of March 8, 1940**

**Petitioners' Exhibit No. 144**

(EXTRACT FROM RESPONDENTS' EXHIBIT No. 144)

As of December 31, 1940

(COMPENSATION IS SHOWN WHERE THE OFFICER OR EMPLOYEE RECEIVED MORE THAN \$10,000 ANNUALLY, OR THE DIRECTOR MORE THAN \$1,000 ANNUALLY)

Name of Officer, Director or Employee	Company	Positions Held	Compensation (Annual Rate)
F. W. Doolittle Garden City, N. Y.	The North American Company	Director	
J. F. Fogarty New York, N. Y.	The North American Company	Director Chairman of the Ex- ecutive and Finance Committee	None \$75,000
Herbert C. Freeman New York, N. Y.	The North American Company	Director Member Executive and Finance Committee Vice Presid	None None 50,000
Reed Hartel New York, N. Y.	The North American Company	Director and Secretary	
W. C. Heise New York, N. Y.	The North American Company	Director	
Elmer L. Lindseth New York, N. Y.	The North American Company	Engineer	12,000
Ralph E. Moody New York, N. Y.	The North American Company	Assistant to President	27,000
George Murnane New York, N. Y.	The North American Company	Director Member Executive and Finance Committee	6,000
Charles E. Neil New York, N. Y.	The North American Company	Rate Specialist	12,000
F. H. Piske New York, N. Y.	The North American Company	Director Vice President and Treasurer	None 25,000
P. D. Preger New York, N. Y.	The North American Company	Comptroller	15,000
Frank H. Schneider New York, N. Y.	The North American Company	Assistant to Comptroller	11,000
Edward L. Shea New York, N. Y.	The North American Company	Director Member Executive and Finance Committee President	None None 75,000

*Petitioners' Exhibit No. 144*

Name of Officer, Director or Employee	Company	Positions Held	Compensation (Annual Rate)
Edward M. Thierry New York, N. Y.	The North American Company	Assistant to President	12,000
S. B. Way Milwaukee, Wis.	The North American Company	Director	350
Harrison Williams New York, N. Y.	The North American Company	Director Member Executive and Finance Committee Chairman of the Board	None None 75,000
D. E. Ackers Topeka, Kan.	The Kansas Power and Light Company	Director President	None 24,100
	The Blue River Power Company	Director and President	None
	Nebraska Natural Gas Company	Director President	None 900
	The McPherson Oil & Gas Development Company	Director and President	None
	North American Oil and Gas Company	Director	None
Eben G. Crawford Cleveland, Ohio	The Cleveland Electric Illum- inating Company	Director and Member Executive Committee President	None 50,000
J. F. Fogarty New York, N. Y.	Wisconsin Electric Power Company	Director	40
	The Cleveland Electric Illum- inating Company	Director Member Executive Committee	1,008 None
	North American Light & Power Company	Director	None
	West Kentucky Coal Company (New Jersey)	Director	None
	60 Broadway Building Corporation	Director and President	None
	North American Utility Securities Corporation	Director and President	None

*Petitioners' Exhibit No. 144*

Name of Officer, Director or Employee	Company	Positions Held	Compensation (Annual Rate)
Herbert C. Freeman New York, N. Y.	Wisconsin Electric Power Company	Director	40
	The Cleveland Electric Illum- inating Company	Director Member Executive Committee	1,008 None
	North American Light & Power Company	Director	None
	West Kentucky Coal Company (New Jersey)	Director	None
	West-Kentucky Coal Company (Delaware)	Director	None
	Peoples Coal Company	Director	None
	St. Bernard Coal Company	Director	None
	60 Broadway Building Corporation	Director and Vice President	None
	North American Utility Securities Corporation	Director and Vice President	None
Edward T. Gushee St. Louis, Mo.	Union Electric Company of Missouri	Director Executive Vice President	20 19,500
	Union Electric Company of Illinois	Director Executive Vice President	20 8,480
	Union Colliery Company	Director Executive Vice President	20 150
	Mississippi River Power Company	Director Executive Vice President	20 1,800
	Iowa Union Electric Company	Director Executive Vice President	20 720
	Cupples Station Light, Heat and Power Company	Director Executive Vice President	20 None



*Petitioners' Exhibit No. 144*

Name of Officer, Director or Employee	Company	Positions Held	Compensation (Annual Rate)
Edward T. Gushee St. Louis, Mo.	Union Electric Land and Develop- ment Company	Director and Executive Vice President	None
	St. Louis & Belle- ville Electric Railway Company	Director Executive Vice President	10 150
	St. Louis & Alton Railway Company	Director Executive Vice President	10 None
	East St. Louis & Suburban Railway Company	Director Executive Vice President	20 None
	East St. Louis Railway Company	Director Executive Vice President	20 None
	The St. Louis County Gas Company	Director Executive Vice President	20 4,200
Reed Hartel New York, N. Y.	West Kentucky Coal Company (Delaware)	Director and Vice President	
	Peoples Coal Company	Director and Vice President	
	St. Bernard Coal Company	Director and Vice President	
	60 Broadway Building Corporation	Director and Secretary	
	North American Utility Securities Corporation	Director	
Harry W. Hough Cleveland, Ohio	The Cleveland Electric Illuminating Company	Vice President and General Manager	20,000
	The Ceico Company	Director and President	None
B. E. Ling Cleveland, Ohio	The Cleveland Electric Illuminating Company	Assistant to the President	15,000
William McClellan St. Louis, Mo.	Union Electric Company of Missouri	Director President	20 33,000
	Union Electric Company of Illinois	Director President	20 14,400

- *Petitioners' Exhibit No. 144*

Name of Officer, Director or Employee	Company	Positions Held	Compensation (Annual Rate)
William McClellan St. Louis, Mo.	Union Colliery Company	Director	20
	Mississippi River Power Company	President	300
	Iowa Union Electric Company	Director	20
	Cupples Station Light, Heat and Power Company	President	3,600
	Union Electric Land and Development Company	Director	20
	St. Louis & Belleville Electric Railway Company	President	1,200
	St. Louis & Alton Railway Company	Director	20
	East St. Louis & Suburban Railway Company	President	None
	East St. Louis Railway Company	Director	10
	The St. Louis County Gas Company	President	300
	Union Electric Company of Missouri	Director	10
	St. Louis County Gas Company	Director	None
	North American Utility Securities Corporation	Director	None
	Wisconsin Electric Power Company	Director	None
	The Cleveland Electric Illuminating Company	Director	20
R. E. Moody New York, N. Y.	North American Utility Securities Corporation	Director	7,200
	Wisconsin Electric Power Company	Director	None
	The Cleveland Electric Illuminating Company	Director	None
F. H. Piske New York, N. Y.	North American Light & Power Company	Director	None
	West Kentucky Coal Company (New Jersey)	Director	1,008
	North American Light & Power Company	Director	\$10
	West Kentucky Coal Company (New Jersey)	Director	None

*Petitioners' Exhibit No. 144*

Name of Officer, Director or Employee	Company	Positions Held	Compensation (Annual Rate)
F. H. Piske New York, N. Y.	West Kentucky Coal Company (Delaware)	Director	None
	Peoples Coal Company	Director	None
	St. Bernard Coal Company	Director	None
	60 Broadway Build- ing Corporation	Director, Vice President and Treasurer	None
	North American Utility Securities Corporation	Director, Vice President and Treasurer	None
Frank J. Ryan Cleveland, Ohio	The Cleveland Electric Illuminating Company	Assistant to the President	15,000
Robert Sealy Miami Beach, Florida	West Kentucky Coal Company (New Jersey)	Director and Vice President	
G. W. Van Derzee Milwaukee, Wis.	Wisconsin Electric Power Company	Director	120
		Member Executive Committee	760
		Vice President and General Manager	32,500
	The Milwaukee Electric Railway & Transport Company	Director	110
		Vice President	None
	Wisconsin Gas & Electric Company	Director	220
		Vice President	None
	Wisconsin Michigan Power Company	Director	220
		Vice President	None
	Milwaukee Light, Heat & Traction Company	Director	20
		Vice President	None
Allen Van Wyck New York, N. Y.	Hevi-Duty Electric Company	Director and Vice President	None
	North American Light & Power Company	Director	None
		President	\$10,000
	The Kansas Power and Light Company	Director	None
		Vice President	5,000
	Nebraska Natural Gas Company	Director and Vice President	None

*Petitioners' Exhibit No. 144*

Name of Officer, Director or Employee	Company	Positions Held	Compensation (Annual Rate)
Allen Van Wyck New York, N. Y.	The McPherson Oil & Gas Development Company	Director and Vice President	None
	Power & Light Securities Company	Director and Vice President	None
	Illinois Traction Company	Director and Vice President	None
	Kewanee Public Service Company	Director and President	None
S. B. Way Milwaukee, Wis.	Wisconsin Electric Power Company	Director	160
		Member Executive Committee	620
		President	45,000
	The Milwaukee Electric Railway & Transport Company	Director	110
		Chairman of Board	None
	Badger Auto Service Company	Director	110
		President	None
	Wisconsin Gas & Electric Company	Director	220
		President	9,000
	Wisconsin Michigan Power Company	Director	220
		President	6,000
	Milwaukee Light, Heat & Traction Company	Director	None
		President	None
John A. Woodbridge St. Louis, Mo.	Hevi-Duty Electric Company	Director	None
	Union Electric Com- pany of Missouri	Director	20
		Vice President	10,920
	Union Electric Com- pany of Illinois	Director	None
		Vice President	4,800
	Union Colliery Company	Director	20
		Vice President	140
	Mississippi River Power Company	Director	20
		Vice President	1,200
	Iowa Union Electric Company	Director	None
		Vice President	420
	Cupples Station Light, Heat and Power Company	Director	20
		Vice President	None
	Union Electric Land and Development Company	Director and Vice President	None



*Petitioners' Exhibit No. 144*

Name of Officer, Director or Employee	Company	Positions Held	Compensation (Annual Rate)
John A. Woodbridge	St. Louis & Belle- ville Electric Railway Company	Vice President	120
	St. Louis & Alton Railway Company	Vice President	None
	East St. Louis Railway Company	Director	20
		Vice President	None
	East St. Louis & Suburban Railway Company	Vice President	None
	The St. Louis County Gas Company	Vice President	2,400
F. W. Doolittle Garden City, N. Y.	Illinois Terminal Railroad Company	Director	None
C. A. Leland Des Moines, Iowa	Illinois Iowa Power Company	Director	None
	Des Moines Electric Light Company	Director and President	16,800
	Iowa Power and Light Company	Director and President	8,200
A. P. Titus - Clayton, Missouri	Illinois Iowa Power Company	Director	None
	Illinois Terminal Railroad Company	Director President and General Manager	None 21,000
	St. Louis Electric Terminal Railway Company	Director and President	None
	Chicago and Illinois Valley Railroad Company	Director and Vice President	None
Allen Van Wyck Chicago, Illinois	Illinois Iowa Power Company	Director and President	9,600
	Central Terminal Company	Director	None
	Des Moines Electric Light Company	Director and Vice President	1,800
	Iowa Power and Light Company	Director and Vice President	1,200
	Illinois Terminal Railroad Company	Chairman of the Board	2,400

*Petitioners' Exhibit No. 144*

Name of Officer, Director or Employee	Company	Positions Held	Compensation (Annual Rate)
Allen Van Wyck Chicago, Illinois	St. Louis Electric Terminal Railway Company	Director and Vice President	None
	Chicago and Illinois Valley Railroad Company	Director and Vice President	None
F. W. Doolittle Garden City, N. Y.	Washington Railway and Electric Company	Director	
	Potomac Electric Power Company	Director	
	Capital Transit Company	Director	
W. F. Ham Washington, D. C.	Potomac Electric Power Company	Director	20
		Chairman of the Board	15,000
	Braddock Light & Power Company, Incorporated	Director	None
	Capital Transit Company	Director	280
		Member of the Finance Committee	200
		Member of the Budget Committee	40
Wm. McClellan St. Louis, Mo.	Washington Railway and Electric Company	Director and Chairman of the Board	
	Potomac Electric Power Company	Director	
	The Washington and Rockville Railway Company of Mont- gomery County	Director	
	Capital Transit Company	Director	
R. E. Moody New York, N. Y.	Washington Railway and Electric Company	Director	
	Potomac Electric Power Company	Director	
A. G. Neal Washington, D. C.	Washington Railway and Electric Company	Director	10
		President	None
	Potomac Electric Power Company	Director	20
		President	30,000
		Chairman of Executive Committee	None

*Petitioners' Exhibit No. 144*

Name of Officer, Director or Employee	Company	Positions Held	Compensation (Annual Rate)
A. G. Neal Washington, D. C.	The Washington and Rockville Railway Company of Mont- gomery County	Director	None
		President	None
	Braddock Light & Power Company, Incorporated	Director and President	None
	Great Falls Power Company	Director	None
		President	None
	Capital Transit Company	Director	260
		Member of the Finance Committee	240
		Member of the Budget Committee	40
B. R. Bay Omaha, Nebraska	Northern Natural Gas Company	President	24,000
		Member of Executive Committee	None
	Peoples Natural Gas Company	Director	None
		President	4,500
	Argus Natural Gas Company, Inc.	Director	None
		President	1,500
		Director	None

**Petitioners' Exhibit No. 145****Extract from Certificate of Organization of North American, Part of Respondents' Exhibit No. 145****SERIAL PREFERRED STOCK**

“(a) The Board of Directors is hereby empowered to cause the Serial Preferred Stock to be issued from time to time in one or more series as follows:

(1) As shares of Preferred Stock, 6% Series, which shall include the 606,678 shares of previously authorized and issued Six Per Cent. Cumulative Preferred Stock which have been changed into, and shall hereafter be designated as, Preferred Stock, 6% Series. The annual dividend rate for such series shall be 6% per annum; the date from which dividends on all shares of such series issued prior to the record date for the dividend payable on April 1, 1939, shall be cumulative shall be January 1, 1939; the redemption price for such series shall be \$55 per share; and the amount per share payable to the holders thereof upon any liquidation, dissolution or winding up of the Company or upon any distribution of its capital shall be the par value thereof.

\* \* \* \* \*

(d) Before any amount shall be paid to, or any assets distributed among, the holders of the Common Stock upon any liquidation, dissolution or winding up of the Company or upon any distribution of its capital, and after paying or providing for the payment of all creditors of the Company, the holders of the Serial Preferred Stock at the time outstanding shall be entitled to be paid in cash, in the case of Preferred Stock, 6% Series, the amount hereinbefore specified with respect thereto, and, in the case of Serial Preferred Stock of any other series, the amount for the particular series fixed therefor by the Board of Directors as hereinbefore provided, together with a sum in the case of each



*Petitioners' Exhibit No. 145*

such share of each series, computed at the annual dividend rate for the series of which the particular share is a part, from the date from which dividends on such share became cumulative to the date fixed for the payment of such distributive amount, less the aggregate of the dividends theretofore or on such date paid thereon; but no payments on account of such distributive amounts shall be made to the holders of the Serial Preferred Stock of any series unless there shall likewise be paid at the same time to the holders of the Serial Preferred Stock of each other series at the time outstanding like proportionate distributive amounts, ratably, in proportion to the full distributive amounts to which they are respectively entitled as herein provided.

**COMMON STOCK**

(e) Whenever the full dividends on the Serial Preferred Stock at the time outstanding for all past quarter-yearly dividend periods shall have been paid, and the full dividend thereon for the quarter-yearly dividend period then current shall have been paid or declared and a sum sufficient for the payment thereof set apart, then such dividends (payable in cash, stock or otherwise) as may be determined by the Board of Directors may be declared and paid on the Common Stock, but only out of surplus or net profits legally available for the payment of dividends, and the Serial Preferred Stock shall not be entitled to participate in any such dividends, whether payable in cash, stock or otherwise; provided, however, that so long as any of the Serial Preferred Stock shall remain outstanding, no dividend whatsoever, whether in cash, stock or otherwise, shall be paid or declared, nor shall any distribution be made on the Common Stock, nor shall any shares of the Common Stock be purchased, retired or other-

*Petitioners' Exhibit No. 145*

wise acquired by the Company, unless, after giving effect thereto, there shall remain a balance of earned surplus, net profits, and reserves created for losses resulting from the revaluation, sale or other disposition of any of the assets of the Company, which in the aggregate shall be at least equal to fifteen per cent. of the aggregate par value of all Serial Preferred Stock then outstanding."

. . . . .

**Extract from Certificate of Designation of Preferred Stock,  
5¾% Series, Part of Respondents' Exhibit No. 145**

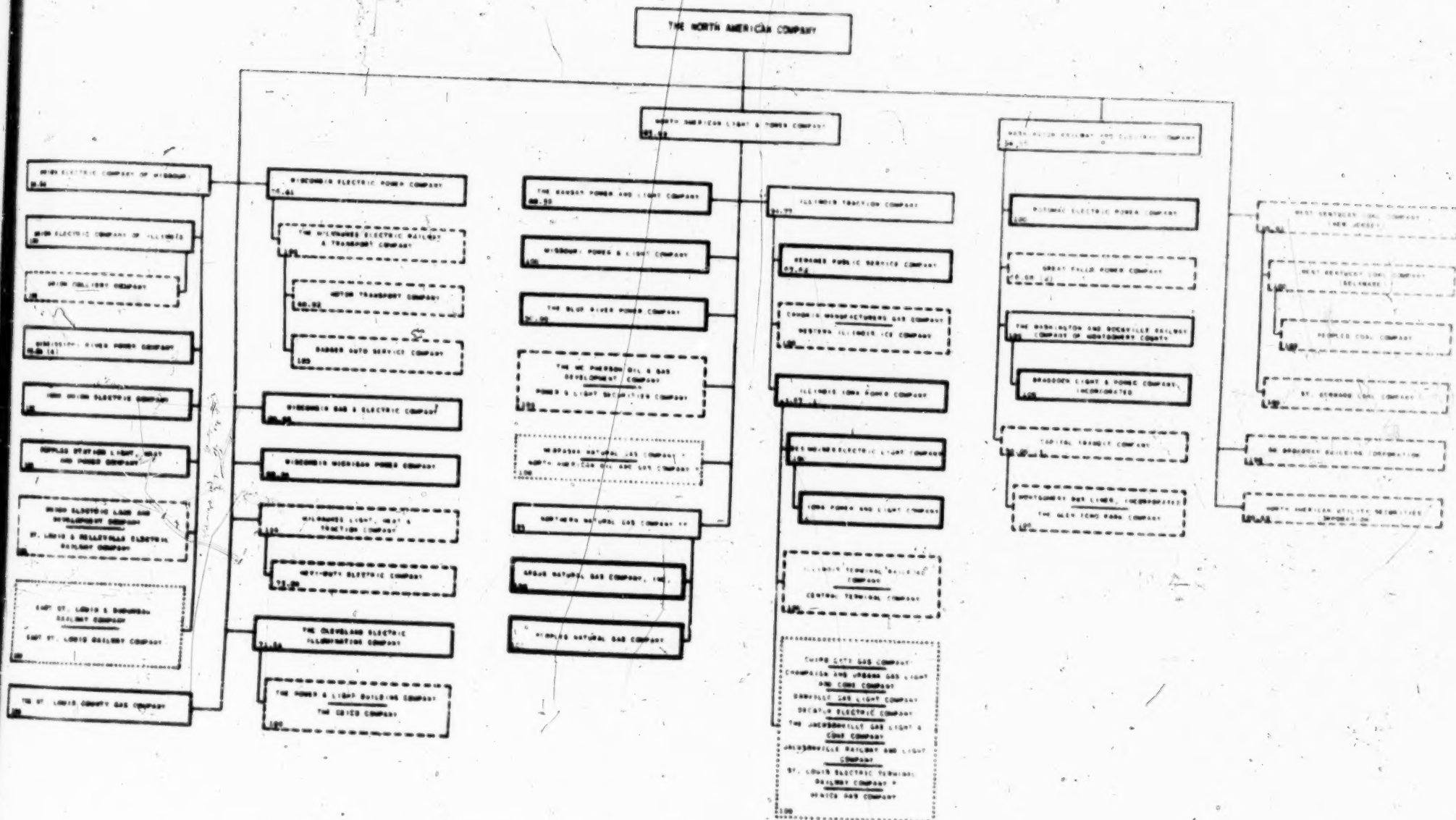
"RESOLVED, that Six hundred ninety-six thousand five hundred eighty (696,580) shares of the authorized but unissued shares of Serial Preferred Stock, of the par value of \$50 per share, of the Company, be issued as shares of a series to be designated 'Preferred Stock, 5¾% Series', and that, pursuant to Article Fourth of the Certificate of Organization of the Company, as amended, the Board of Directors hereby fixes for such series:

(1) 5¾% of the par value of each share as the annual dividend rate, and February 1, 1939 as the date from which dividends on all shares of such series issued prior to the first dividend payment date therefor shall be cumulative;

(2) \$55 per share as the redemption price;

(3) \$52.50 per share as the amount payable to the holders thereof in case of voluntary dissolution or any voluntary distribution of assets, and \$50 per share as the amount payable to the holders thereof in case of involuntary dissolution or any involuntary distribution of assets;"

THE NORTH AMERICAN COMPANY



A light solid line enclosing a company name indicates that the company is a holding company, a dark solid line indicates a utility company, and a dotted line indicates an operating company or a company in process of organization. The figures shown above represent the percentages of total voting securities held by the immediate parent (including subsidiaries having voting rights because of ownership or options).

(1) In addition Power & Light Securities Company holds 1.278% of the voting stock. North American Light & Power Company holds 0.74% of the voting stock.

(2) In addition The Appalachian and Baltimore Railway Company of Montgomery County holds 1.0% of the voting stock and the North American Company holds 0.08% of the common stock.

(3) In addition The North American Company holds 1.0% of the common stock.

(4) In addition The North American Company holds 0.08% of the common stock.

\* In absence of disqualification.

Note: In addition to the foregoing, The North American Company was directly 29.92% of the voting stock of The Detroit Edison Company and 17.16% of the voting stock of Pacific Gas and Electric Company. North American Utility Securities Corporation was directly 9.92% and 2.92% of the voting stock of The Detroit Edison Company and Pacific Gas and Electric Company, respectively.

UNITED STATES OF AMERICA  
BEFORE THE  
SECURITIES AND EXCHANGE COMMISSION

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IN THE MATTER  
of  
THE NORTH AMERICAN COMPANY  
and its  
SUBSIDIARY COMPANIES,

*Respondents.*

File No. 59-10.

Public Utility Holding Company Act of 1935,  
Section 11 (b) (1)

---

**FINDINGS OF FACT REQUESTED BY THE NORTH  
AMERICAN COMPANY AND OTHER WITHIN NAMED  
RESPONDENTS**

The North American Company and all of its subsidiaries which are Respondents in this proceeding (other than North American Light & Power Company and its subsidiaries)\*

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\*Such subsidiary Respondents on behalf of which these findings are requested are Washington Railway and Electric Company and its subsidiaries, Union Electric Company of Missouri and its subsidiaries, The St. Louis County Gas Company, Wisconsin Electric Power Company and its subsidiaries, Wisconsin Gas & Electric Company, Wisconsin Michigan Power Company, Milwaukee Light, Heat & Traction Company and its subsidiary, The Cleveland Electric Illuminating Company and its subsidiaries, West Kentucky Coal Company and its subsidiaries, 60 Broadway Building Corporation and North American Utility Securities Corporation.



*Findings of Fact Requested by the North American Company  
and Other Within Named Respondents*

hereby request the Securities and Exchange Commission to make the findings of fact hereinafter set forth. For the sake of convenience, such requested findings are grouped by the subject matter or groups of companies to which they relate. The North American Company is hereinafter called "North American".

# 1. NORTH AMERICAN AND ITS HOLDINGS

1.1. North American is a registered public utility holding company which was incorporated under the laws of the State of New Jersey in 1890 and has since had continuous existence. (Tr. 6886)

1.2. North American's principal public utility holdings now consist of controlling interests in companies operating in and about Washington, D. C., Cleveland, Milwaukee and St. Louis. It also has substantial minority investments in The Detroit Edison Company and Pacific Gas & Electric Company. North American also controls three non-utility companies and North American Light & Power Company, an intermediate public utility holding company. (Resp. Exs. 125 and 147)

# 2. THE WASHINGTON GROUP

2.1. Washington Railway and Electric Company (hereinafter called "Washington") is a registered holding company and has the subsidiaries hereinafter mentioned (all hereinafter collectively called the Washington Group). Washington was incorporated under an Act of Congress in 1892. (Tr. 519)

*Findings of Fact Requested by the North American Company  
and Other Within Named Respondents*

2.2. North American holds 34.55% of the voting stock of Washington. (Resp. Ex. 147) Its holdings at December 31, 1940 represented a cost to North American of \$12,835,341 and 44.39% of Washington's consolidated capital. (Resp. Exs. 125, 127 and 147)

2.3. The only public utility companies in the Washington Group are Potomac Electric Power Company (hereinafter called "Potomac"), incorporated under the District of Columbia Code in April, 1896, and Braddock Light & Power Company (hereinafter called "Braddock"), a Virginia corporation. (Tr. 118) Braddock owns only the small part of the distribution system located in Virginia, being a separate corporation to comply with Virginia law, and its property is in all respects an integral part of Potomac's system. (Tr. 132)

2.4. Potomac and Braddock furnish all electric utility service in a single compact and continuous service area, consisting of the District of Columbia and adjacent portions of Maryland and Virginia, a total of 630 square miles, with a population of 826,000. The operations of Potomac and Braddock are confined to a single area or region. (Resp. Ex. 3; Tr. 132, 137)

2.5. The electric utility system of Potomac and Braddock consists of two generating stations (additional power supply being obtained through an interconnection with Baltimore), together with transmission lines and distributing facilities. The utility assets of Potomac and Braddock are physically interconnected and are economically operated as a single in-

*Findings of Fact Requested by the North American Company  
and Other Within Named Respondents*

terconnected and coordinated system. (Resp. Ex. 3, 5; Tr. 179, 244, 246, 304)

2.6. The electric utility system of Potomac and Braddock is not so large as to impair the advantages of localized management.

2.7. The electric utility system of Potomac and Braddock is not so large as to impair its efficient operation.

2.8. The electric utility system of Potomac and Braddock is not so large as to impair the effectiveness of regulation.

2.9. The electric utility system of Potomac and Braddock constitutes a single integrated public utility system within the meaning of the Act.\*

2.10. The Washington and Rockville Railway Company of Montgomery County is a non-operating company and its only activity is ownership of all of the stock of Braddock and part of the stock of Great Falls Power Company. (Tr. 129) The latter company's only activity is ownership of 1,050 acres of land on the Potomac River sixteen miles from Washington, originally acquired for hydroelectric development and now held for liquidation. (Tr. 517) The retention by Washington of its interest in the Washington and Rockville and Great Falls Companies was expressly authorized by Congress (47 Stat. 760; Tr. 519)

2.11. The Washington and Rockville and Great Falls companies do not conduct a business, and in any case reten-

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\*The Public Utility Holding Company Act of 1935 is herein referred to as the "Act".

*Findings of Fact Requested by the North American Company  
and Other Within Named Respondents*

tion of Washington's interest therein is necessary or appropriate in the public interest or for the protection of investors or consumers, and not detrimental to the proper functioning of the integrated public utility system of Potomac and Braddock, and the activities of such companies are reasonably incidental or economically necessary or appropriate to the operations of such integrated public utility system.

2.12. The only other business in the Washington Group is the transportation system of Capital Transit Company (hereinafter called "Capital Transit") and its two subsidiaries. Capital Transit and its subsidiary, Montgomery Bus Lines, Incorporated, do substantially all the transportation business in the District of Columbia and in two adjacent Maryland Counties. Glen Echo Park Company, the other subsidiary, operates an amusement park in connection with such transportation system and to increase traffic thereon. (Tr. 450, 476)

2.13. Capital Transit was incorporated in 1933, when it acquired all of the transportation property formerly owned by Washington and by the former Capital Traction Company pursuant to a transit unification plan approved by Congress. Such unification resulted in economies and better service and was highly beneficial to the public. (Tr. 455, 469-75). The retention by Washington of its interest in Capital Transit was expressly authorized by Congress. (Tr. 519; 47 Stat. 760)

2.14. The properties of Potomac and Capital Transit are interconnected at many points, with joint use of many



*Findings of Fact Requested by the North American Company  
and Other Within Named Respondents*

facilities, and Potomac operates various electrical equipment of Capital Transit. (Tr. 470-475) All electric energy used by Capital Transit is purchased by it from Potomac. (Tr. 475) The electric system of Potomac had its origin in transportation properties now owned by Capital Transit, and the two have been under common control for more than forty-eight years. (Tr. 457-9, 463-4)

2.15. The investment in Capital Transit represents less than 15½% of Washington's consolidated assets and 2.06% of its consolidated gross income. (Resp. Ex. 143d)

2.16. Capital Transit and its subsidiaries are fully regulated by the Public Utilities Commission of the District of Columbia and the Public Service Commission of Maryland. (Tr. 479)

2.17. Retention of Washington's interest in Capital Transit is necessary or appropriate in the public interest or for the protection of investors or consumers, and not detrimental to the proper functioning of the integrated public utility system of Potomac and Braddock; and the transportation business and related operations of Capital Transit and its subsidiaries are reasonably incidental or economically necessary or appropriate to the operations of such integrated public utility system.

2.18. The operations of the holding company system of Washington are limited to a single integrated public utility system and to such other businesses as are reasonably incidental or economically necessary or appropriate to the operations of such integrated public utility system.

*Findings of Fact Requested by the North American Company  
and Other Within Named Respondents*

**3. THE CLEVELAND GROUP**

3.1. The Cleveland Electric Illuminating Company (hereinafter called "Cleveland") is an electric utility company and has the two subsidiaries hereinafter mentioned. Cleveland was incorporated under the laws of Ohio in 1892. (Tr. 1068)

3.2. North American holds 79.4% of the common stock of Cleveland, representing a cost to North American of \$38,417,339, and 33.58% of Cleveland's capital. (Resp. Exs. 125 and 127)

3.3. Cleveland furnishes electric utility service in a single compact and continuous service area centering about the City of Cleveland, a total of 1,700 square miles, with a population of 1,400,000. The operations of Cleveland are confined to a single area or region and within the State of Ohio. (Tr. 596, 598, Resp. Ex. 21)

3.4. The electric utility system of Cleveland consists of three generating stations, together with transmission lines and distributing facilities. The utility assets of Cleveland are physically interconnected and are economically operated as a single interconnected and coordinated system. (Resp. Ex. 21; Tr. 647-649, 696-699, 823).

3.5. Cleveland has two subsidiaries, The Power & Light Building Company, which owns the system office building, and The Ceico Company, which holds a small amount of miscellaneous system real estate and renders meter service to certain system customers. The activities of such sub-

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sidiaries constitute an integral part of Cleveland's electric utility system. (Tr. 939-945)

3.6. The electric utility system of Cleveland is not so large as to impair the advantages of localized management.

3.7. The electric utility system of Cleveland is not so large as to impair its efficient operation.

3.8. The electric utility system of Cleveland is not so large as to impair the effectiveness of regulation.

3.9. The electric utility system of Cleveland constitutes a single integrated public utility system within the meaning of the Act.

3.10. The only business of Cleveland other than electric service consists of furnishing steam to 600 customers in the City of Cleveland. Such steam business, which was commenced by Cleveland in 1906, benefits the electric system by rendering unnecessary independent steam plants which could also generate customers' electric requirements. The steam business represents about 5% of Cleveland's total operating revenues. (Tr. 951) The electric and steam services are conducted by the same organization and use much joint equipment, with resultant substantial economies. Conduct of the steam business by Cleveland benefits consumers and the community. Such steam business could not be sold without a substantial loss to Cleveland. (Tr. 951-967)

3.11. Retention by Cleveland of its steam business is necessary or appropriate in the public interest or for the

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protection of investors or consumers, and not detrimental to the proper functioning of the integrated public utility system of Cleveland; and the steam business is reasonably incidental or economically necessary or appropriate to the operations of such integrated public utility system.

#### 4. THE WISCONSIN GROUP

4.1. The Wisconsin Group consists of three public utility companies, Wisconsin Electric Power Company (hereinafter called "Wisconsin Electric"), Wisconsin Gas & Electric Company (hereinafter called "Wisconsin Gas") and Wisconsin Michigan Power Company (hereinafter called "Wisconsin Michigan"), and the five non-utility companies hereinafter mentioned. (Resp. Ex. 147) The three utility companies were all incorporated under the laws of Wisconsin, in 1896, 1866 and 1911, respectively. (Tr. 2131, 2171, 2191)

4.2. North American holds 76.41%, 89.98% and 88.24%, respectively, of the voting stock of Wisconsin Electric, Wisconsin Gas and Wisconsin Michigan. Its holdings at December 31, 1940 represented a cost to North American of \$25,313,824, \$6,000,000 and \$6,774,615.46, respectively, and 25.06%, 32.45% and 29.04%, respectively, of the capital of such companies. (Resp. Exs. 125, 127)

4.3. The Wisconsin Group furnishes electric utility service in a territory of 12,318 square miles in Wisconsin, including Milwaukee and its suburbs, and in a portion of the northern peninsula of Michigan, with an aggregate population of 1,275,000. The electric operations of the Wisconsin

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Group are confined to a single area or region. (Resp. Exs. 32, 142; Tr. 1219)

4.4. The electric utility system of the Wisconsin Group consists of 21 generating stations, together with transmission lines and distributing facilities. The utility assets of the Wisconsin Group are physically interconnected (except for a very minor area in Northern Michigan which is capable of physical interconnection) and under normal conditions may be economically operated as a single interconnected and coordinated system. (Resp. Ex. 32; Tr. 1469, 1509, 1528, 2226-8)

4.5. In addition to electric service, Wisconsin Gas furnishes gas service in a territory of 1,300 square miles adjacent to Milwaukee, of which all but 84 square miles lie within the electric service territory above referred to, with a population of 274,500. (Tr. 1311, 1313) Wisconsin Michigan furnishes gas service in a territory of 61 square miles in Wisconsin, wholly within its electric service territory, with a population of 53,200. (Tr. 1316) Such gas services are operated as a single coordinated system. Gas operations account for 5.2% of the total operating revenues and approximately 8.4% of property and plant of the three utility companies in the Wisconsin Group. (Resp. Ex. 143b; Tr. 1498, 1506)

4.6. The electric and gas operations of the Wisconsin Group are conducted jointly as a single coordinated system, utilizing joint management and personnel, and many joint facilities. Such joint operation results in substantial economies to the respective services and also in benefits and



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convenience to consumers, all of which would cease if the electric and gas businesses were divorced. (Tr. 2101-2120, 2261-2)

4.7. Neither the electric nor the gas system of the Wisconsin Group could be operated independently of the other without the loss of substantial economies which can be secured by their retention under common control.

4.8. The electric and gas utility systems of the Wisconsin Group, singly and in combination, are not so large as to impair the advantages of localized management.

4.9. The electric and gas utility systems of the Wisconsin Group, singly and in combination, are not so large as to impair their efficient operation.

4.10. The electric and gas utility systems of the Wisconsin Group, singly and in combination, are not so large as to impair the effectiveness of regulation.

4.11. The electric utility properties of the Wisconsin Group constitute a single integrated public utility system within the meaning of the Act, the gas utility properties of such Group constitute a single integrated public utility system within the meaning of the Act, and in combination such systems constitute a single integrated public utility system within the meaning of the Act.

4.12. The only businesses conducted by the three utility companies in the Wisconsin Group, other than electric and gas service, are the heating businesses in Milwaukee and Waukesha, and the transportation operations in Kenosha and Appleton, which, individually and in the aggregate, ac-

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count for a minor part of the Wisconsin Group's total assets and gross revenues. (Tr. 1320, 1321, 1509; Resp. Ex. 143b)

4.13. The heating businesses of the Wisconsin Group benefit the electric system by rendering unnecessary independent steam plants which could also generate customers' electric requirements. (Tr. 1979) The electric and heating businesses are conducted by the same organization and use many joint facilities, resulting in substantial economies. (Tr. 1980) The conduct of the heating businesses benefits consumers and the respective communities. (Tr. 1980) Such heating businesses could not be sold or be conducted by anyone other than the Wisconsin Group, and any forced divorcement thereof would result in the abandonment of such heating services, to the public detriment. (Tr. 1998).

4.14. The transportation businesses in Kenosha and Appleton had a common origin with the electric service and are conducted by the same organization and use many joint facilities, resulting in substantial economies. (Tr. 1994, 2001-2, 2102, 2105, 2109, 2113) Such transportation businesses could not be sold without loss. (Tr. 2001)

4.15. Retention by the Wisconsin Group of such heating and transportation businesses is necessary or appropriate in the public interest or for the protection of investors or consumers, and not detrimental to the proper functioning of the integrated public utility system of the Wisconsin Group; and each such business is reasonably incidental or economically necessary or appropriate to the operations of such integrated public utility system.

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4.16. Wisconsin Electric owns all outstanding securities of The Milwaukee Electric Railway & Transport Company (hereinafter called the "Transport Company"), a Wisconsin corporation, which does the principal local transportation business in Milwaukee and also has interurban electric railway and motor bus services to certain nearby communities. (Tr. 1983) The electric business of Wisconsin Electric grew out of such transportation system and Wisconsin Electric conducted such transportation business directly until the segregation thereof in 1938, and directly or indirectly has conducted such transportation business in and about Milwaukee for fifty-one years. (Tr. 2131)

4.17. The operations of the Transport Company are joint with those of Wisconsin Electric in many respects, and each company utilizes personnel and facilities of the other, with resultant substantial economies. (Tr. 2024-2099) Wisconsin Electric sells to the Transport Company its entire electric requirements and devotes many facilities solely to the requirements of the Transport Company. (Tr. 1986)

4.18. The Transport Company is regulated by the Public Service Commission of Wisconsin, which supervises all contracts between affiliated companies in the Wisconsin Group. (Tr. 1714, 2210) There has always been joint regulation of the electric and transportation businesses in Milwaukee. (Tr. 1789-1791, 2407, 2410-2412)

4.19. Due to economic changes in recent years, the transportation business has become less profitable, and Wisconsin Electric is providing reserves against contingent losses on a

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large portion of its investment in the Transport Company on a 10-year basis under the terms of a bank loan agreement. (Tr. 2418) The Transport Company's return is low in consequence of its low fares, which could not be continued if the intercompany relationship were terminated. (Tr. 2411, 2419) Any forced sale by Wisconsin Electric of such investment would be detrimental to the interests of its investors. (Tr. 2411-19)

4.20. Retention by Wisconsin Electric of its interest in the Transport Company is necessary or appropriate in the public interest or for the protection of investors or consumers, and not detrimental to the proper functioning of the integrated public utility system of the Wisconsin Group; and the transportation business of the Transport Company is reasonably incidental or economically necessary or appropriate to the operations of such integrated public utility system.

4.21. The Transport Company has a minority stock interest in Motor Transport Company, which renders a minor trucking service supplementary to the Transport Company's business, and owns Badger Auto Service Company, which conducts a minor parking lot and filling station business to utilize temporarily certain land owned by Wisconsin Electric and held either for future use or pending liquidation. (Tr. 1991-1992) Neither of such businesses is in any way detrimental to the utility services and retention of each results in substantial economies. (Tr. 2022)

4.22. The only other companies in the Wisconsin Group are Milwaukee Light, Heat & Traction Company, and Hevi-

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Duty Electric Company. The first of these is an inactive company and direct subsidiary of North American, owning 73.8% of the outstanding stock of Hevi-Duty Electric Company. (Resp. Ex. 147; Tr. 2003) Such latter company is a minor business which has been engaged for many years, in cooperation with Wisconsin Electric, in the development and manufacture of electric furnaces and other specialized appliances designed to increase the use of electricity. The operations of Hevi-Duty Electric Company have been beneficial to the public and to the Wisconsin Group in the development of such appliances. (Tr. 2003, 2270)

4.23. Retention of the interests in Motor Transport Company, Badger Auto Service Company, Milwaukee Light, Heat & Traction Company and Hevi-Duty Electric Company is in each case necessary or appropriate in the public interest or for the protection of investors or consumers, and not detrimental to the proper functioning of the integrated public utility system of the Wisconsin Group; and each such business is reasonably incidental or economically necessary or appropriate to the operations of such integrated public utility system.

## 5. THE ST. LOUIS GROUP

5.1. The St. Louis Group consists of Union Electric Company of Missouri (hereinafter called "Union") and its subsidiaries hereinafter mentioned (all hereinafter collectively called the "Union Group") and also St. Louis County Gas Company (hereinafter called the "Gas Company"), a direct subsidiary of North American. Union, which is both a reg-



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istered holding company and an electric utility company, and the Gas Company were incorporated under the laws of Missouri, in 1922 and 1904, respectively. (Tr. 3044, 3130)

5.2. North American holds all of the common stock of both Union and the Gas Company, representing a cost to North American of \$51,840,781 and \$4,100,000, respectively, and 33.37% and 81%, respectively, of the capital of such companies. (Resp. Ex. 125, 127, 147)

5.3. Union and its four utility subsidiaries, Union Electric Company of Illinois, Mississippi River Power Company, Iowa Union Electric Company and Cupples Station Light, Heat and Power Company, furnish electric utility service in a compact and continuous area in and around St. Louis, in Missouri and Illinois, and in small additional service areas around the Osage hydroelectric station in Central Missouri, and, in Iowa and Illinois, around the Keokuk hydroelectric station. The total service territory contains 3,100 square miles, with a population of 1,500,000. (Resp. Ex. 124; Tr. 2437) The electric operations of the Union Group are confined within a single area or region. (Resp. Ex. 142)

5.4. The electric utility system of the Union Group consists of six generating stations, together with transmission lines and distributing facilities. The utility assets of the Union Group are physically interconnected and are economically operated as a single interconnected and coordinated system. (Tr. 2535, 2738)

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5.5. In addition to its electric business, Union Electric Company of Illinois operates a minor gas business in Alton, Illinois, and Iowa Union Electric Company operates a similar small gas business in Keokuk, Iowa. (Tr. 3119, 3123) In both cases, the gas service territory lies within the electric service territory. Such gas services account for only 0.57% of the total operating revenues of the Union Group. Such electric and gas operations of the Union Group are conducted jointly as a single coordinated system, utilizing joint management and personnel and many joint facilities. (Tr. 3121, 3127) Such joint operation results in substantial economies to both services and also in benefits and convenience to consumers, all of which would cease if the electric and gas businesses were divorced. (Tr. 3121, 3127)

5.6. The Gas Company furnishes gas service in a compact and continuous area of approximately 62 square miles in St. Louis County, Missouri, with a total population of 250,000, which territory lies within Union's electric service territory. (Tr. 3131)

5.7. The operations of the Union Group and the Gas Company are conducted under joint management and utilize many joint personnel and facilities. (Tr. 3152) Such joint operation results in substantial economies to the respective services and also in benefits and convenience to consumers, all of which would cease if the businesses were divorced. (Tr. 3153-3155)

5.8. Neither the electric nor the gas system of the St. Louis Group could be operated independently of the other

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without the loss of substantial economies which can be secured by their retention under common control.

5.9. The electric and gas utility systems of the St. Louis Group, singly and in combination, are not so large as to impair the advantages of localized management.

5.10. The electric and gas utility systems of the St. Louis Group, singly and in combination, are not so large as to impair their efficient operation.

5.11. The electric and gas utility systems of the St. Louis Group, singly and in combination, are not so large as to impair the effectiveness of regulation.

5.12. The electric utility properties of the Union Group constitute a single integrated public utility system within the meaning of the Act, the gas utility properties of the Union Group and the Gas Company constitute a single integrated public utility system within the meaning of the Act, and in combination such systems constitute a single integrated public utility system within the meaning of the Act.

5.13. The only businesses of the Union Group other than the electric and gas operations above referred to consist of the heating business in the City of St. Louis, the coal business of Union Colliery Company, the small railroad operations of St. Louis & Belleville Electric Railway Company, and the land operations of Union Electric Land and Development Company. Such other businesses, individually and in the aggregate, account for only a minor part of the Union Group's total assets and gross revenues. (Tr. 2475, 3050, 3051; Resp. Ex. 143b) St. Louis & Alton Railway Company,

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East St. Louis & Suburban Railway Company and East St. Louis Railway Company, the only other companies in the St. Louis Group, are either inactive or in process of liquidation. (Tr. 3051)

5.14. The Union Group supplies heating service in the business district of St. Louis, which benefits the electric system by rendering unnecessary independent steam plants which could also generate customers' electric requirements. (Tr. 3095) The electric and heating businesses are conducted by the same organization and use much joint equipment, with resultant substantial economies. Conduct of the heating business by the Union Group benefits consumers and the community. (Tr. 3100-3104) Such heating business could not be sold without a substantial loss to the Union Group.

5.15. Union Colliery Company, a Missouri corporation, conducts a coal mining business eighty-five miles from St. Louis (Tr. 3107) Most of the coal so mined is sold to the Union Group and the Union Group buys most of its coal from or with the help of the Colliery Company. Coal is the most important commodity purchased by the Union Group. Ownership of the Colliery Company results in substantial economies to the Union Group in permitting more satisfactory coal arrangements than would be possible with outside interests. (Tr. 3115)

5.16. St. Louis & Belleville Electric Railway Company operates an electric freight line eleven miles long, terminating at East St. Louis, Illinois. Its principal business is hauling coal used by the Union Group. Ownership of the Railway Company has been beneficial to the utility services

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and constitutes an insurance against coal shortages. (Tr. 3115-3117)

5.17. Union Electric Land and Development Company, a Missouri corporation, holds for liquidation excess land acquired as a result of development of the Osage hydro-electric station. Such land is being liquidated as rapidly as practicable, but will require substantial time for completion. (Tr. 3129)

5.18. Retention of the heating, coal, railway and land businesses above referred to is in each case necessary or appropriate in the public interest or for the protection of investors or consumers, and not detrimental to the proper functioning of the integrated public utility system of the Union Group, and each such business is reasonably incidental or economically necessary or appropriate to the operations of such integrated public utility system.

5.19. The operations of the holding company system of Union are limited to a single integrated public utility system and to such other businesses as are reasonably incidental or economically necessary or appropriate to the operations of such integrated public utility system.

5.20. If it is found that the holding company system of Union or the St. Louis Group includes any public utility system additional to the electric utility system of the Union Group, such additional system or systems meet the standards of Clauses (A), (B) and (C) of Section 11(b)(1) of the Act, and may be retained under common control with such electric utility system.



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**6. THE NORTH AMERICAN COMPANY HOLDING COMPANY  
SYSTEM**

6.1. North American has on many occasions financed its subsidiaries directly and has also rendered assistance to them by planning, negotiating and supervising their public financing operations. No subsidiary has any financing expert on its staff, nor could maintain such an expert, comparable to those on the North American staff.

6.2. While North American's policy has resulted in strong localized management for its subsidiaries, it has aided such localized management by constant advice and consultation on general operating questions and important specific problems, and has rendered assistance in accounting, secretarial and other phases of the business.

6.3. The assistance of North American has resulted in substantial economies to its subsidiaries and could only be secured from it since a common financial interest and background of knowledge of the particular property are both essential thereto.

6.4. The period of growth and development of the operating subsidiaries has not ended and they will continue in the future to receive substantial benefits and economies from North American's aid.

6.5. Under North American's sponsorship, representatives of its principal operating subsidiaries have been in constant contact through various intercompany committees since 1921 and through other contacts, as a result of which the operating companies have, in effect, pooled their engineering

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resources. The operating subsidiaries in the North American system derive substantial benefits and economies from their intra-system activities and contacts. A healthy rivalry between companies has been stimulated and there has been a general broadening influence on the operating company personnel. A common financial bond is the essential element in all such relationships and such benefits would cease if the holding company control were discontinued.

6.6. None of the integrated public utility systems in the North American holding company system could be operated as an independent system without the loss of substantial economies which can be secured by the retention of control by North American of such system.

6.7. The Middle States or Middle West, consisting of Kansas, Missouri, Iowa, Minnesota, Illinois, Wisconsin, Michigan, Indiana and Ohio, constitute a single economic region, and the operations of all public utility subsidiaries of the North American system, except those of the Washington Group, are confined to such region. (Resp. Ex. 142)

6.8. The combination of the Cleveland, Wisconsin and St. Louis Groups is smaller in many respects than many single utility systems. (Resp. Ex. 124)

6.9. The continued combination of the Cleveland Group, the Wisconsin Group and the St. Louis Group under the control of North American is not so large as to impair the advantages of localized management, efficient operation or the effectiveness of regulation, and North American's hold-

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ing company system has secured the advantages of ~~localized~~ management, efficient operation and effective regulation for all such groups.

6.10. In addition to its major investments in the Washington, Cleveland, Wisconsin and St. Louis Groups, North American also has substantial minority interests in The Detroit Edison Company and Pacific Gas & Electric Company. (Resp. Ex. 147)

6.11. Detroit Edison is an electric utility operating in and about Detroit, Michigan. North American's investment, which began in 1903, consists of 19.21% of Detroit Edison's voting stock and represents a cost to North American of \$29,822,316.04. Such investment represented in 1940 9.86% of North American's corporate assets and 7.49% of its gross corporate income. (Tr. 6917; Resp. Ex. 125, 143, 147)

6.12. Pacific Gas & Electric Company is a public utility operating in California. North American's investment, which began in 1925 with the acquisition of certain constituent properties, consists of 17.22% of Pacific Gas' voting stock and represents a cost to North American of \$69,765,418.62. Such investment constituted in 1940 21.08% of North American's corporate assets and 20.44% of its gross corporate income. (Tr. 6917; Resp. Ex. 125, 143, 147)

6.13. Neither the investment in Detroit Edison nor in Pacific Gas has had any detrimental effect on the North American holding company system but, on the contrary, has contributed diversification and stability of earnings for North American. In the case of Detroit Edison, such in-

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vestment is also valuable because it has facilitated exchange of information and contacts between Detroit Edison and North American's subsidiaries, with substantial benefits resulting therefrom. (Tr. 6937)

6.14. Retention by North American of its investments in Detroit Edison and Pacific Gas is, in each case, necessary or appropriate in the public interest or for the protection of investors or consumers, and not detrimental to the proper functioning of the integrated public utility systems of North American; and each such investment is reasonably incidental or economically necessary or appropriate to the operations of such integrated public utility systems.

6.15. North American also controls three non-utility subsidiaries, North American Utility Securities Corporation (hereinafter called "NAUS"), 60 Broadway Building Corporation (hereinafter called "60 Broadway") and West Kentucky Coal Company (hereinafter called "West Kentucky"). (Resp. Ex. 147).

6.16. NAUS was organized under the laws of Maryland in 1924 and all of its preferred stock and 80.62% of its common stock are owned by North American. NAUS is an investment company with a portfolio having a total market value at December 31, 1940 of approximately \$4,667,865, consisting of a diversified list of marketable securities. The operating expenses of NAUS are negligible; it contributes diversity to the North American system and in no way interferes with the operations of the utility subsidiaries of North American. (Tr. 6939-45)

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6.17. 60 Broadway was incorporated under the laws of New York in 1924 and owns a 25-story office building in the New York financial district in which are located the North American executive offices which occupy two floors and part of three other floors. North American's investment was made in such enterprise as protection against rising rents for its own offices. The investment yields a small income and has in no way interfered with the operations of the utility subsidiaries. North American's total investment at cost, in all outstanding stock and in open account, is \$2,009,023, representing less than 1% of its corporate assets, and could only be disposed of at this time at a substantial loss. (Tr. 6947)

6.18. West Kentucky was incorporated under the laws of New Jersey in 1905, at which time North American first acquired a stock interest therein. North American presently owns 98.91% of the voting stock. West Kentucky owns and operates coal mines in Western Kentucky producing approximately 1,500,000 tons annually. Such investment was originally made to develop coal sources for the St. Louis Group. Sales of coal have been made to North American utility subsidiaries and West Kentucky insures a system coal supply for the future. North American's investment, constituting but  $2\frac{1}{3}\%$  of its total corporate assets, could not be disposed of without loss. (Tr. 6949-53; Resp. Ex. 147) Such investment in no way interferes with the operations of the utility subsidiaries. (Tr. 6952)

6.19. Retention by North American of its interests in NAUS, 60 Broadway and West Kentucky is in each case



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necessary or appropriate in the public interest or for the protection of investors or consumers, and not detrimental to the proper functioning of the integrated public utility systems of North American; and each such business is reasonably incidental or economically necessary or appropriate to the operations of such integrated public utility systems.

6.20. North American is not engaged in the business of sending or transporting, or causing to be sent or transported, goods, merchandise or services in commerce with foreign nations or among the several States, or any other kind of interstate commerce; and North American makes use of the mails or other instrumentalities of interstate commerce only incidentally to its business as a holding company, which consists of investment in and holding of securities. (Tr. 7028, 7029)

6.21. The combined operation of several businesses by a public utility subsidiary of North American does not create any regulatory problems which are not inherent in the regulation of a single utility service, nor does it in any way impair the effectiveness of State regulation.

6.22. Size does not necessarily impair any advantages of localized management, efficient operation or effectiveness of regulation; and the size of the North American holding company system, as now constituted, in no way impairs the advantages of localized management, efficient operation or effectiveness of regulation.

6.23. The securities of the operating utility companies in the Cleveland, Wisconsin and St. Louis Groups could

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not be marketed to any substantial extent in the respective service areas of such utility companies or the States in which they respectively operate, and even as to the small part of such securities which might be marketed in such service area or State, the probability is that it would not continue to be held there.

6.24. North American has engaged since 1890 in the holding of securities for investment, and since 1895 has confined its investments primarily to the electric business. (Tr. 6889)

6.25. North American's policy throughout its history has been characterized by acquisition of securities for long-term investment and by additions thereto through acquiring and consolidating adjacent properties, through investment in additional securities of the same enterprises and through leaving large amounts of undistributed earnings in its subsidiaries. (Tr. 6916, 6918-6920)

6.26. North American's investment policy has also been characterized by investment in different localities to obtain stability through diversification. The diversity so obtained has been and is of substantial value to the security holders of North American. (Tr. 6917)

6.27. North American has pursued sound and conservative financial practices both as to itself and as to its subsidiaries. North American's policy has been to carry its investments at cost or less on its books of account. (Tr. 6921) North American's securities enjoy a favorable investment rating and are widely distributed, with a large

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percentage of small holders and including many fiduciaries and institutions. (Tr. 6956, 6967-8)

6.28. During its entire history, North American has never defaulted in the payment of principal or interest on any indebtedness, nor has it ever failed to pay any preferred stock dividend when due and, except in 1908, it has paid dividends continuously on its common stock since 1903. (Tr. 6901-2) No public utility subsidiary of North American has ever defaulted in the payment of principal or interest on any indebtedness issued by it while a subsidiary of North American. With a single exception from 1896 to 1900, no public utility subsidiary of North American has ever defaulted in the payment of dividends on any preferred stock issued while that company was a subsidiary of North American. (Tr. 6897, 6898)

6.29. North American and its subsidiaries have long followed the policy of complete disclosure of all relevant information to their stockholders, both through regular reports and on special inquiry. (Tr. 6958-6962, 6991)

6.30. North American's policy has been to develop a few sound, well organized and efficiently operated public utility subsidiaries which would render efficient service at the lowest cost to the consumer, and to make each of such companies a part of its own community with the most localized management possible, with a sound financial structure and full cooperation with regulatory bodies; and thereby to achieve soundness and stability for the security holders of North American. (Tr. 7024, 7025)

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6.31. Investors in securities of North American and its several subsidiaries have been able to obtain the information necessary to appraise the financial position or earning power of the issuers, and both North American and its subsidiaries utilize, and in most cases for many years have utilized, uniform standard accounts.

6.32. Securities of subsidiary public utility companies in the North American system have been issued only with the approval or consent of the States having jurisdiction of such companies, and such securities have not been issued upon the basis of fictitious or unsound asset values having no fair relation to the sums invested in or the earning capacity of the respective properties, or upon the basis of paper profits from intercompany transactions, or in anticipation of excessive revenues from subsidiary public utility companies, and securities have not been issued by any subsidiary public utility company under circumstances which subjected such company to the burden of supporting an over-capitalized structure or tended to prevent voluntary rate reductions.

6.33. Subsidiary public utility companies in the North American system have not been subjected to excessive charges for services, construction work, equipment and materials, nor have they entered into transactions in which evils resulted from an absence of armslength bargaining or from restraint of free and independent competition.

6.34. Service, management, construction and other contracts involving allocation of charges have not been made

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by North American or within its holding company system with subsidiary public utility companies so as to present problems of regulation which could not be dealt with effectively by the States.

6.35. Control of subsidiary public utility companies by North American or within its holding company system has not affected the accounting practices and rate, dividend and other policies of such companies, so as to complicate or obstruct State regulation of such companies, nor has control of such companies been exerted through disproportionately small investment.

6.36. The growth and extension of North American and its system has borne a relation to economy of management and operation and the integration and coordination of related operating properties.

6.37. In the North American system, there has been no lack of economy of management and operation of public utility companies, or lack of efficiency and adequacy of service rendered by such companies, or lack of effective public regulation, or lack of economies in the raising of capital.

6.38. The total assets of North American and its subsidiaries consolidated (Washington and Illinois Iowa Power Company and their subsidiaries not being so consolidated, but being included as investments) represent only 5.4% of the entire electric industry in the United States and both the total of such North American assets and its proportion of industry assets are substantially less than those of lead-



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ing corporations in the industrial and railroad fields in the United States. Similarly, in such matters as annual sales or revenues, number of employees and number of States in which operations are conducted, North American and its subsidiaries consolidated are substantially smaller than many other leading companies in American industry. (Resp. Ex. 124)

**7. NORTH AMERICAN LIGHT & POWER COMPANY**

7.1. North American Light & Power Company (hereinafter called "NAL") is an intermediate holding company organized under the laws of Delaware in 1924, which in 1926 succeeded a predecessor corporation organized in 1915. (Tr. 6001)

7.2. North American first acquired an interest in NAL in 1926 when it purchased 42½% of its voting stock. Such interest was originally intended as a minority investment, but increased to a controlling interest after 1932 when North American was forced by the defaults of others to increase its stock interest substantially. North American's present stock interest in NAL consists of 83.49% of its voting stock. (Tr. 6006; Resp. Ex. 125, 147)

7.3. NAL's principal investments consist of a controlling interest in utility companies operating in Kansas and Missouri and substantial minority interests in Northern Natural Gas Company and in utility companies operating in Illinois and Iowa.

*Findings of Fact Requested by the North American Company  
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7.4. Control of NAL by North American has been beneficial both to investors and consumers in the NAL system since the NAL subsidiaries greatly improved their financial position, as well as their rates and service, after North American acquired control of NAL. (Tr. 7226-27, 6133-48)

7.5. In view of the impending dissolution of NAL and the disposition of its assets in liquidation, no further findings with respect to that company or its subsidiaries are necessary so far as regards their relations with North American.

Respectfully submitted,

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*Of Counsel.*

UNITED STATES OF AMERICA

BEFORE THE

SECURITIES AND EXCHANGE COMMISSION

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IN THE MATTER

*of*

THE NORTH AMERICAN COMPANY

*and its*

SUBSIDIARY COMPANIES

*Respondents.*

File No. 59-10

Public Utility Holding Company Act of 1935,  
Section 11(b) (1)

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**REPLY BRIEF ON BEHALF OF THE NORTH AMERICAN  
COMPANY AND OTHER WITHIN NAMED  
RESPONDENTS**

This brief is filed on behalf of The North American Company (hereinafter called "North American") and all of its subsidiaries which are Respondents in this proceeding (other than North American Light & Power Company and its subsidiaries). There are considered herein not only certain legal issues but also various statements in the brief of counsel for the Commission.

*Reply Brief on Behalf of the North American Company  
and Other Within Named Respondents*

**1. ELECTRIC AND GAS FACILITIES MAY IN COMBINATION  
CONSTITUTE A SINGLE INTEGRATED SYSTEM WITHIN THE MEAN-  
ING OF THE ACT.**

This issue has been discussed at length in the memorandum, dated March 6, 1941, of William Clarke Mason, Esq., in the U. G. I. proceeding under Section 11(b) (1). To avoid duplication, we ask leave of the Commission to incorporate herein by reference the contentions set forth in such memorandum filed by Mr. Mason.

In addition, we submit that the facts in the North American proceeding itself clearly show that the position of the Commission's staff on this question cannot be sustained; and we therefore strongly urge upon the Commission that it reconsider its tentative conclusions, not only as a matter of general statutory construction but also on the basis of the uncontroverted evidence in this proceeding.

The only gas properties involved in the North American proceeding are in the St. Louis and Wisconsin Groups. In two of the three instances in St. Louis, these very gas properties have previously been recognized by this Commission to constitute jointly with the same electric properties a single integrated system. *Matter of East St. Louis Light & Power Company*, 2 SEC 361 (1937); *Keokuk Electric Company*, 2 SEC 963 (1937). These two cases dealt with the merger and reorganization in which Union Electric Company of Illinois and Iowa Union Electric Company acquired, with the approval of this Commission, the very gas properties now under discussion. In each case, the Commission expressly found that the requirements of Section 10(c) had been sat-

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ified, which necessarily included the statutory condition that the acquisition tended toward "the economical and efficient development of an integrated public utility system". Accordingly, if the Commission now holds that these gas properties cannot constitute a single integrated system with the same electric properties as were involved in its former decisions, it is directly reversing such former decisions and thus violating the basic principles of *res adjudicata*. We submit that such result must be avoided in the interest of any consistent administration of the Act.

It is further clear upon the examination of the record here that all of the gas properties in question do *in fact* constitute a single system with the electric properties. From the executives of the respective systems down to the meter readers, repair men and clerks, the same organization, and to a large extent the same personnel, handles both electric and gas operations. A great deal of the same equipment is used for both operations and many of the general facilities, such as main offices, branch offices, garages, etc. are likewise used jointly. Thus, *in fact*, the two operations constitute one system, and certainly any reasonable construction of the Act would permit the recognition of realities.

We submit that the proper rule which the Commission should adopt is that, as a matter of law, electric and gas facilities may constitute a single integrated system, but that whether they do in any particular case will depend upon its own facts. This pragmatic test is obviously in accord with the legislative intent and permits the Commission to reach a sensible and practical result in each case dependent upon its own facts. If such interpretation be adopted, there can



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be no question on the facts here that the electric and gas facilities do constitute a single integrated system both in the St. Louis Group and in the Wisconsin Group.

2. THE PROPER INTERPRETATION OF "REASONABLY INCIDENTAL OR ECONOMICALLY NECESSARY OR APPROPRIATE".

We recognize that the proper interpretation of this clause has already been argued at length before the Commission and particularly the contention (which the Commission has rejected) that neither the clause nor any other provision of Section 11(b)(1) imposes any restriction on minority utility investments, a question of importance in this case, because of North American's minority holdings in Detroit Edison\* and Pacific Gas & Electric Company. Accordingly, we will not further argue this aspect of the minority utility investment question, except to reiterate the position that Section 11(b)(1) should not be deemed to restrict or to apply in any way to such holdings of North American. We ask leave in this connection to incorporate by reference the Respondents' Memorandum dated March 6, 1941, in the U.G.I. proceeding, which dealt with this matter.

In disposing of this question in the U.G.I. proceeding, the Commission stated:

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\*Note: While the Circuit Court of Appeals has affirmed the Commission's holding that Detroit Edison is a subsidiary of North American, the question of further appeal is still pending and, in any case, North American has started to reduce its interest therein. The dividend recently declared on North American's common stock, payable in capital stock of Detroit Edison, will reduce North American's holdings from 19.21% to approximately 16.78%, and four of such dividends would reduce the holding to less than 10%.

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"We must conclude that the two clauses in Section 11(b)(1) which refer to the retention of other businesses, when taken together, mean that the Commission must permit the retention of other businesses, including investment interests in utilities not subsidiaries, which are found to be reasonably incidental or economically necessary or appropriate to the operations of an integrated public utility system retainable under the control of the holding company, and that as to both investments in non-utilities and interests in non-utilities sufficient to create the statutory parent-subsidiary relationship, these standards may be met if the retention of the investments or other interests is found to be necessary or appropriate in the public interest or for the protection of investors or consumers and not detrimental to the proper functioning of such system or systems." (H. C. Act Release 2692)

Turning to the brief of Commission counsel in this proceeding, we find that even the Commission's interpretation is now not sufficiently restrictive for the staff. The proposition is now advanced that "incidental", as used in the Act, "conveys an impression of that which arises, or is done, as ancillary to or functionally related to a greater and principal undertaking" and that the expression "economically necessary or appropriate" should likewise be given "its obvious meaning of functional relationship", since it appears "in close conjunction with the expression 'reasonably incidental.'" (Commission's brief, pages 29, 30) Counsel never attempts to apply the final sentence of Section 11(b)(1), and under his construction it is presumably to be ignored.

The obvious result of Commission counsel's proposed interpretation is to destroy the most important aspect of the

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statutory tests, a series of separate alternatives. Indeed, the clearest conclusion gained from a study of the statute is that Congress intended to give wide latitude on other businesses and to that end gave a series of various alternative tests, any one of which would suffice. The Commission is now asked to violate the Congressional intent by holding that all of the alternatives have only one meaning, a narrow and vague rule of "functional relationship".

The interpretation suggested is particularly remarkable because Congress, having first established the test of "reasonably incidental, economically necessary or appropriate", later inserted the long additional sentence at the end of Section 11(b)(1). Had the earlier phrase meant only "bearing a functional relationship", why was the final sentence necessary? Thus, in effect, Commission counsel now asks the Commission to disregard eight lines of Section 11(b)(1). We submit that such a distortion of the statute cannot be permitted and that each of the alternatives must be given full weight.

The first alternatives offered are, of course, in the original phrase "reasonably incidental or economically necessary or appropriate". "Incidental" is defined by the Webster and Century dictionaries as "happening as a chance or undesigned feature of something else; casual; subordinate; occurring or liable to occur in connection with something else; happening in fortuitous or subordinate conjunction with something else". Based upon these definitions, obviously the relative size of the other business would be material, as would be some likelihood of occurrence. These tests would easily be satisfied by the other businesses in this proceeding

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since they are of either minor importance or of long and normal historical connection, as, for example, the transportation operations.

In dealing with the word "incidental", Commission's counsel cites a series of cases relating to the construction of corporate charters. None of these cases is in point, since it is a well established principle that corporate powers are to be strictly construed. *Fertilizing Company v. Hyde Park*, 97 U. S. 659 (1878), *Fletcher, Cyclopedia Corporation* (1931), Vol. 7, Section 3646. On the contrary, the Act, which operates retroactively and in derogation of existing property rights, must be liberally construed.

"Economically necessary" would seem to speak for itself and would be a strict test. "Economically appropriate", on the other hand, obviously offers much latitude, since the word "appropriate" is defined in the Webster and Century dictionaries as "suitable, fit or proper". Thus, any other business, the conduct of which was suitable or proper in connection with the utility system would meet the test. Among examples to be found in the North American case, we may refer to the minority utility investments and to such other activities as the coal business of Union Colliery Company in the St. Louis Group, which furnishes most of that utility's principal raw material. Any of these offers an excellent example of "economically appropriate". History would likewise have some bearing here, as the fact that such investments have been held and activities conducted advantageously for many years is one of the best practical proofs that they are "economically appropriate".

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Turning to Congress' own addition in the final sentence of Section 11(b) (1) and to the Commission's decision in the U.G.I. proceeding, we find a further series of alternatives. A business is reasonably incidental or economically necessary or appropriate if it is

Necessary or appropriate	{	(i) in the public interest
		or
		(ii) for the protection of investors
		or
	{	(iii) for the protection of consumers

*and*

Not detrimental to the proper functioning of such system or systems

Taking up the last and essential condition first, it is completely disposed of in this case. There is not a scintilla of evidence that any of the other businesses, either in a subsidiary group or North American itself, is or ever has been to the slightest degree detrimental to the proper functioning of any of the utility systems. On the contrary, the uncontradicted evidence shows clearly in every case that the other business has not been detrimental to the utility systems. The testimony in this regard is reviewed in our principal brief.

As to the three preceding alternatives, it is clear that Congress was establishing three entirely different tests, based upon the class of persons affected, the public generally, con-



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sumers and investors, so that such tests should be separately applied.

As to the first phrase, "appropriate in the public interest", we should again note the accepted dictionary meaning for appropriate of "suitable, fit or proper". The fact that similar statutory phrases have been judicially construed should also be noted. Thus, in *Pacific Power & Light Company, et al. v. Federal Power Commission*, 111 F. 2d 1014 (1940), the Circuit Court of Appeals held:

"The phrase 'consistent with the public interest' does not connote a public benefit to be derived or suggest the idea of a promotion of the public interest. The thought conveyed is merely one of compatibility. Congress resorted to this language rather than to the use of the stock term 'public convenience or necessity', or to such phrases as 'in furtherance of' or 'will promote the public interest' used in its interstate commerce legislation (later considered); and the language employed ought to be construed to mean no more than it says. It is enough if the applicants show that the proposed merger is compatible with the public interest. The Commission, as a condition of its approval, may not impose a more burdensome requirement in the way of proof than that prescribed by law. . . . Suffice it to say that the statute does not require a showing that positive benefit to the public will result . . ." (Pages 1016, 1017)

It suffices, therefore, in the case of any business to show that it is compatible with the public interest, with no burden of showing affirmative public benefit.

Applying this correct interpretation, it is clear that every incidental business in the subsidiary groups and of North

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American itself meets the statutory test. There is no evidence whatever that the retention of any such interest in any of these businesses in any way is injurious to the public. On the contrary, and though not required as a matter of law, there is a great deal of evidence of affirmative public benefit, as shown in the discussion in our principal brief. Among other examples of this, reference can be made to the various transportation businesses and to the pioneer electric appliance development work of Hevi-Duty Electric Company in the Wisconsin Group.

"Appropriate for the protection of investors" obviously authorizes retention where a forced sale would injure investors in the particular company conducting or controlling the business. In most cases, as shown by the discussion in our principal brief, the evidence is conclusive that any forced divestment would injure investors in the particular company. As one example, the evidence clearly shows that forcing North American to sell its New York office building under existing real estate conditions would materially injure North American's investors. Other examples are the transportation businesses in Washington and Milwaukee. In this connection, it may be noted that only within the last week, the losses incident to forced liquidation received Congressional recognition, since one purpose of Senate Bill 1438, which expanded the authority of the Reconstruction Finance Corporation to make loans to foreign governments, was

"to enable those countries whose defense is deemed vital to the United States to liquidate their American interests

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... without sustaining "the exorbitant losses customarily incident to a forced liquidation."

"Appropriate for the protection of consumers" looks to still another class. If the conduct of the other business results either in better service or reduced expenses, it is obviously to the interest of consumers, as well as investors. In no instance in this proceeding does any incidental business work to the detriment of consumers and, on the contrary, as the evidence affirmatively shows, most of the incidental businesses result in substantial economies. Among other examples here are the transportation and coal businesses.

The proper interpretation of this entire phase of the Act, as above urged, was adopted by the Commission in its decision in the *American Water Works* case (H. C. Release 949). In that decision the Commission expressly authorized the retention by the holding company of subsidiaries conducting water businesses which constituted 30% of the total business of the holding company system, stressing that they contributed "a stable source of revenue." Such reasoning directly applies in this case to North American's minority holdings in Detroit Edison and Pacific Gas & Electric Company which, as the evidence shows, contribute both diversity and stability of income to North American's security holders.

The Commission further found that a coal business "would seem to bear an intimate relation to the operations of the gas and electric utility companies" and, in authorizing the retention of electric railway, bus transportation and bridge businesses in the American system, the Commission stated that it

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"realizes that these are in the nature of an inheritance from an earlier age when electric transportation was of more importance than the business of electrical distribution. . . . In view of these facts and of the minor importance of the applicant's interests in these businesses relative to its other operations, and in consideration of the difficulty which the applicant would face in satisfactorily disposing of its interests in these transportation businesses, the Commission finds that their retention is necessary and appropriate in the public interest, and is not presently detrimental to the proper functioning of the applicant's integrated public utility system. . . ."

Accordingly, it is submitted that both the proper interpretation of the act, and the application of the Commission's own decision in an earlier case, together with the uncontradicted evidence in this proceeding, require affirmative findings by the Commission that North American may retain its minority utility investments and all of the other businesses controlled within the holding company system.

3. THE PROPER CONSTRUCTION OF THE A, B AND C STANDARDS OF SECTION 11(b) (1).

*The A Standard*

The first of the three statutory tests for the retention of additional public utility systems under the proviso of Section 11(b) (1), is to show that each such additional system cannot be operated independently without the loss of "substantial economies", which can be secured by retention in the holding company system.

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Counsel for the Commission has contended in his principal brief that no one of the four electric utility systems controlled by North American meets the requirements of the A Standard, basing his conclusion upon the reasoning that each is large enough to stand alone on its own feet. Obviously, this contention has nothing whatsoever to do with the statutory test. The sole issue presented is whether or not "substantial economies" will be lost by a separation from the North American system. We are not maintaining that the Cleveland, Wisconsin or St. Louis systems could not function if severed from the North American system. What we are maintaining, however, as being fully supported by the record, is that substantial economies will be lost if any one of these systems is separated from the North American system.

As to the proper meaning of the term "substantial", this has been frequently the subject of judicial construction. In *In re Krause's Estate*, 21 P. (2d) 268 (Sup. Ct. Wash. 1933), an important issue involved in a will contest was whether one of the parties had "substantially benefited" a portion of the real estate in question. As to the meaning of the term "substantial", the Court stated:

" 'Substantial' as an adjective means something worth while as distinguished from something without value, or merely nominal. Webster's New International Dictionary. 3 Bouvier's Law Dictionary (3d Ed.). In its ordinary parlance 'substantially benefited' in a contract would mean some worth-while advantage, profit, or good." (Page 270)



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See also *Miller v. Commissioner of Internal Revenue*, 81 F. (2d) 415 (C.C.A. 7th, 1936) (involving the construction of the phrase "substantial interest" in its commonly accepted legal sense); *Consolidated Edison Co. of New York v. National Labor Relations Board*, 305 U. S. 197, 229 (1938) and *National Labor Relations Board v. Union Pacific Stages*, 99 F. (2d) 153 (C.C.A. 9th, 1938) (both with respect to the meaning of "substantial evidence").

In *In the Matter of Public Service Company of Oklahoma* (H. C. Release 2277), this Commission was called upon to determine whether the holding company there involved received a "material part of its income" from a subsidiary, within the meaning of Section 3(a)(1) of the Act. In attempting to establish a meaning for the phrase "a material part of its income", the Commission stated:

"We think that the standard . . . connotes income the loss of which would be something more than *de minimis* to the company concerned."

Thus, broadly speaking, the term "substantial", or the similar phrase "material", would seem to mean "something worth having", as distinguished from something purely nominal or *de minimis*.

It is submitted that the evidence already discussed in our principal brief establishes conclusively that economies of a substantial nature will be lost by each of the Cleveland, Wisconsin and St. Louis systems in the event of any forced separation from the North American system.

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*The B Standard*

The proper interpretation of the B Standard has been argued at such length before the Commission that we again seek to avoid duplication by adopting the arguments set forth in the Respondents' memorandum, dated March 25, 1941, in the Engineers Public Service Company proceeding and in the Respondents' brief of points and authorities, dated April 3, 1941, filed in the Commonwealth & Southern proceeding.

As set forth in such memorandum and brief, the staff's proposed interpretation of the B Standard violates the plain language of the statute, ignores the first fundamentals of statutory construction and is in square contradiction of the legislative intent. We submit that the words of the statute should be given their plain and unmistakable meaning.

Applying the proper interpretation of the B Standard to the North American case, it is clear that the retention of the St. Louis, Wisconsin and Cleveland Groups meets the statutory tests. All of the States involved (Missouri, Iowa, Illinois, Wisconsin, Michigan and Ohio) adjoin. If the St. Louis Group be deemed the principal system, with its properties in Missouri, Iowa and Illinois, then obviously Wisconsin, Michigan and Ohio are adjoining. This is likewise true if the Cleveland Group is the principal system. There can be no basis for any objection that each State does not adjoin each other State, because not only did Congress not impose such a requirement, but it would be entirely arbitrary and unreasonable to adopt such a construction. For example, in our own case, if the Wisconsin Group otherwise constitutes a proper system secondary to the St. Louis Group, why should the fact that the Wisconsin Group's properties

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are in small part in Michigan prevent the otherwise reasonable result? The statutory phrase is "in adjoining States", and in the North American case the States are adjoining.

*The C Standard*

We again incorporate by reference here the above-mentioned Respondents' memorandum and brief in the Engineers Public Service Company and Commonwealth & Southern proceedings. As there shown, the C Standard is applicable only to the combination of secondary systems.

Assuming for the purposes of argument, however, that the C Standard does apply to the combination of the *principal and secondary* systems, we submit, for the reasons set forth in our principal brief, that the *combination* of the St. Louis, Wisconsin and Cleveland systems meets any statutory test under Clause C.

Commission counsel's discussion of the C Standard in its application to the facts of the present proceeding is a masterpiece of vagueness and generality:

"Certainly, the Commission can take notice of the well-known fact that this system in respect to capitalization and assets is the second or third largest in the United States. If it is not so large as to be precluded by paragraph (C) from continuing in its present magnitude, then paragraph (C) would seem to have no meaning." (Commission's Brief, page 51) \*

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\*Note: This statement ignores the impending liquidation of North American Light & Power Company and North American's program for disposition of its interest in the Washington Group, which will greatly reduce North American's consolidated assets. As the Commission is also aware, North American has now commenced the reduction of its minority holdings in Detroit Edison by declaration of a dividend in stock of that company.

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The brief then suggests that, while each of the single systems meets the size test, each "approaches the point" at which it might be too large, and concludes that:

"Nevertheless, joint control of any two of these great systems would constitute the continuance of a combination so large as to be in patent conflict with paragraph (C) of Section 11(b) (1)." (Commission's Brief, page 52)

These are bare conclusions, unsupported by any reference to testimony or cases, or even by any argument. In other words, the size tests are applied in a complete vacuum, with neither supporting facts nor logic.

The basic position of these Respondents is that the size tests are so vague as to be meaningless and without basis in reason. The staff asserts that they are proper and constitutional tests. If so, there certainly should be some sensible rule or basis for their application, but the staff has apparently been unable to develop one. Indeed, the staff has made no attempt whatever to apply the tests, or even to discuss the evidence relative thereto.

In our brief on the proposed findings, as contrasted with the vague generalities of the staff's brief, we discussed in detail each of the three tests under Standard C, as applied to the three system combination, and showed that on a combination basis there are and would be all the advantages of localized management, efficient operation and the effectiveness of regulation. We further showed that, on both absolute and relative bases, North American's three system combination was smaller than other well recognized *single* utility systems, and far smaller than other leading corporations in American industry. We submit, therefore, that the

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vague generalities of the staff must be rejected and that on any basis the C Standard is met by the three system combination.

**4. THE ELECTION OF A PRINCIPAL SYSTEM.**

Counsel for the Commission refers at several points in his brief to the fact that North American has not yet elected its principal system.

The only statutory mandate is that each registered holding company shall limit its operations to "a single integrated public utility system" and to the permissible other businesses and secondary systems, and any holding company which took the requisite action to this end would have complied with the provisions of Section 11(b)(1). The Act does not require, either expressly or by implication, that the holding company designate which of the systems shall be its principal system and no such additional requirement can be added to the statute.

The point is obviously material in the present case when the only issues concern three concededly integrated systems, the St. Louis, Wisconsin and Cleveland Groups. If, however, the Commission should overrule our contention that all three of such systems may be retained, then in any case North American should have the right to dispose of its interests in any of such Groups as circumstances permit, without being bound in advance to determine which system would be retained. Such right is obviously of value to North American because which of the systems would first be sold may well, and probably will, depend upon future market conditions which are beyond its control. Thus, any order in this proceeding should give to North American the option of



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retaining any one of the three systems as a principal system, with the others as secondary systems. A precedent for such alternative type of order is found in the Commission's own procedure in the Engineer's Public Service and Commonwealth & Southern proceedings, where alternatives are dealt with.

Even if the Commission should reject our views expressed above, it is the further position of North American that, in any case, it alone would have the right to elect the principal system, and only within a reasonable time after it was expressly required to make such election.

5. UNCONSTITUTIONALITY OF SECTION 11(B) (1).

The Respondents, in their answers in this proceeding, have asserted the unconstitutionality of the provisions of Section 11(b) (1) of the Act and have requested various findings of fact hearing on that issue. Since we understand that the Commission has repeatedly refused to pass upon the constitutionality of the Act and refuses to do so in this case, we omit discussion of constitutional questions.

Respectfully submitted,

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